The China Weekly REVIEW

密勒氏評論報

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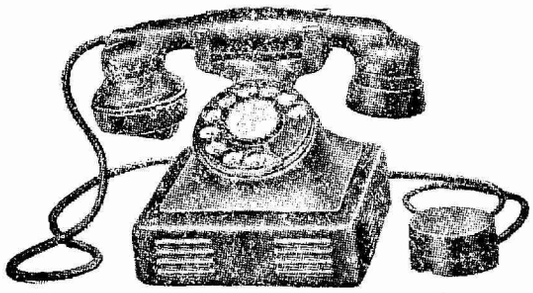

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C. C. JULIAN RECEIVES HUNDRED PERCENT EXTRALITY PROTECTION

C. C. JULIAN Canadian born stock salesman and promoter of oil-wells which allegedly had no existence outside the well-printed pages of his high-power publicity, has arrived in Shanghai and apparently intends to reside here permanently. Mr. Julian departed from Oklahoma City exactly one day before his trial was scheduled to be held in U. S. Federal Court in that city. In leaving the United States so suddenly he defaulted on a G.$25,000 bail-bond which had been put up to guarantee his appearance for trial on a charge of using the U. S. mails to defraud. Mr. Julian arrived in Shanghai about a month ago and first resided at the Metropole hotel under the name of T. R. King. Later, when he had employed attorneys and apparently had satisfied himself that he could not be arrested or extradited back to the United States, he discarded his pseudonym and removed to the Cathay hotel where he is residing in more or less comfort and issues interviews to the local reporters and correspondents for American papers. Julian is a picturesque character; he started in life as a well-driller, but shortly discovered there was more profit in selling stock than in wearing greasy overalls with an oil-gang. His first well in the Los Angeles field turned out happily and he floated a twelve million dollar company. But the company failed, so he went to the Oklahoma field and floated another, also for twelve millions. According to his story, he was double-crossed by his lawyers and this company also failed. Then the Oklahoma state and federal authorities stepped in and started prosecution against Julian on charges of using the mails to defraud. He forfeited his G.$25,000 bail and came to Shanghai, allegedly because he feared he would not receive a fair trial in the United States. Julian claims he is broke and wants to make a fresh start. Whether Julian "got-away" with any considerable amount of money is not known, but it is known that there are several thousands of persons in the United States who paid fancy prices for his engraved stock certificates which are now worthless. Obviously they would like to get their money back, but since that is impossible, they would like to see him punished for selling them something which turned out to be valueless. But both desires, apparently, are futile hopes.

Julian was well advised in coming to Shanghai, in fact he showed better judgment than

Samuel Insull the fugitive Chicago stock-promoter who fled to Greece. Since the United States has no extradition treaty with Greece, Insull cannot be returned to the United States for prosecution, but the Greek Government, knowing its rights insisted that Insull become a Greek subject in exchange for the protection which he receives. This means that Mr. Insull will have to pay taxes and probably heavy taxes, so long as he resides in Greece. But Mr. Julian by coming to Shanghai apparently will enjoy two special advantages. He will be entirely free and won't have to ay any taxes to the Chinese Government, the American Government or the Canadian Government. Julian will enjoy these advantages because of that curious system known as "exterritoriality," which prompted the local *Evening Post* to explain a few days ago that there was a "certain element of truth in the allegation that Shanghai forms a sanctuary for fugitives from justice from all parts of the world." The way it works out in Julian's case is somewhat as follows: Julian was born in Canada, hence is a Canadian or British subject. His stock-selling activities which caused his legal complications were conducted in the United States. Julian cannot be extradited to Canada because he allegedly committed no crime in Canada. He cannot be arrested by the American authorities in Shanghai and extradited to the United States because he is not an American citizen. He is a Canadian. And since there is no clause in any Anglo-American treaty providing for extradition of their respective citizens while residing under exterritorial jurisdictions in China, Mr. Julian apparently is entirely free to reside in Shanghai and tell the American authorities to "go to hell" as he is alleged to have done. If there was no exterritoriality, or if the exterritorial system could be modernized, Julian would be subject to Chinese jurisdiction, in which case he could be arrested by the Chinese and handed over to the American authorities. But this cannot be done under the present circumstances—which indicates quite clearly that exterritoriality has its handicaps as well as its alleged benefits. The Chinese authorities obviously will not overlook the Julian case in pressing their claims for a modification of this obsolete system. In the meantime, Mr. Julian is one man among the considerable number of foreigners in Shanghai who really receives 100-percent benefits from exterritoriality. We recommend him for the presidency of the newly organized Shanghai Foreign Residents Association, one of the objects of which, we understand, is to oppose revision of the extrality treaties!

C. C. Julian, Canadian oil-stock promoter. He says the United States "can go to hell."

FURTHER MOVES TOWARD BANKING REFORM IN AMERICA

THE banking reform bill which was introduced in the upper house of the U. S. Congress by Senator Carter Glass of Virginia and is now under consideration of the banking committee, shortly will be ready for consideration on the floor of the Senate, according to latest reports from Washington. The bill will provide for a single banking system throughout the country subject to uniform federal regulations in place of the 48-state systems. In many respects the new system will be modeled on that of Great Britain which country has a limited number of strong banks, rather than a multiplicity of small weak banks such as prevails in the United States and which was largely responsible for the recent banking crisis. Proposals which will be written in the new bill upon the recommendation of President Roosevelt are said to include the following.

1. Bring of all banks into federal system, subject to uniform regulation, in place of the present 48 state systems;
2. Limited guarantee or deposit insurance;
3. Broadening of the re-discount base of the Federal Reserve System so that long-term paper may normally be used for obtaining cash at Federal Reserve Banks, which, until the present emergency, were limited to ninety-day paper;
4. Provision to prevent any state executive closing down banks as was done in the recent holiday, throwing a panic drain on adjacent states;
5. Closer co-ordination of the twelve Federal Reserve Banks into something more closely resembling a national bank;
6. Extension of branch banking;
7. Stricter bank regulations to prevent such operations as those recently disclosed on the part of the officials of certain New York banks.
8. Thorough separation of commercial and investment banking; and
9. Forcing of private banks, such as J. P. Morgan & Co., to submit to the same control as regular banks or else forbid them to accept deposits.

According to a despatch which appeared in the *Japan Advertiser* on April 18, the Senate adopted a resolution on April 5 authorizing an investigation of the internationally famous banking house of J. P. Morgan and Company. The report stated that Ferdinand Pecora, former First Assistant District Attorney of New York and now counsel for the Senate Banking Committee, would, if necessary issue subpoenas for the books of Morgan and Company for the purpose of examining its stock and bond market activities. Officers of the company also would be summoned for questioning before the banking committee. The matter, however, had not been definitely settled for Morgan and Company threatened to take out an injunction restraining such action. It was understood that the chief attention of the Senate investigators would be concentrated upon the Morgan records pertaining to bond flotations, particularly those of some of the smaller nations which have failed to meet interest payments, with the result that some of the securities sold at high prices are now virtually worthless. More than a month is expected to elapse before any findings are revealed in public hearings.

There is special interest in the Morgan investigation in the Far East due to the fact that Morgan and Company participated extensively in Japanese loans, one in particular in 1931 amounting to G.$25,000,000 for electrical development in

Formosa, allegedly was used by the Japanese General Staff for financing the original drive into Manchuria. Several years ago another attempt on the part of Morgan and Company to make a large loan to the South Manchuria Railway was blocked by Chinese opposition and later also by the opposition of the State Department. A further reason for Far Eastern interest in the Morgan investigation is due to the leadership of this company in the so-called Banking Consortium composed of international bankers which was formed upon the recommendation of President Wilson during the Versailles Conference for the alleged purpose of preventing international financial rivalry in China. For several years the Consortium maintained a representative in China, but no loans ever were made to this country by any of the members of the international group. During a visit of Thomas W. Lamont, one of the high officials of Morgan and Company, to China several years ago, he was severely criticised by Chinese officials, particularly the Cantonese, on the grounds that the Consortium had been formed for the purpose of stifling China financially. It was also alleged that Morgan and Company, during the course of the world war, had bought up the so-called Hukuang loan bonds issued in European countries, and was chiefly interested in obtaining collection of these issues rather than in making new loans to China.

According to further reports in the *Japan Advertiser*, the recent banking crisis has precipitated a clash between the interests of the private banking house of J. P. Morgan and Company and those of the Rockefellers which are centered in the Chase National Bank. It was Winthrop W. Aldrich, president of the Chase Bank, who is a brother-in-law of John D. Rockefeller, Jr., who recently made a sensational statement attacking the practices of investment bankers and private banking houses, which was interpreted as a criticism of the House of Morgan.

REVIVAL OF PORT ARTHUR BASE MAKES CHINA SEA A JAPANESE "LAKE"

IT is slightly over twenty eight years since Port Arthur emerged from the comparative oblivion of an obscure Russian naval base and attained a place in the international Hall of Fame. When, on January 1, 1905, the fortifications of that sea port, situated on the extreme southern tip of the Manchurian peninsula, succumbed to the combined onslaughts of Japan's land and sea forces, the name of 'Port Arthur' became as familiar to the mill workers of Manchester as to the cowpunchers of the American southwest. While during the intervening years it has never again gained the headline importance it enjoyed during the Russo-Japanese war, the name still has the power to fire the imagination of the world, as was evidenced on the last occasion that Port Arthur broke into the news.

On April 20 a *Rengo* despatch from Tokyo announced that the government had decided to 'resuscitate' Port Arthur as a Japanese naval base. The despatch further advised that the new base would become the headquarters of the Second Overseas Squadron, with Rear Admiral Shizue Tsuda commanding. This squadron at present includes the cruisers *Hirato* and *Tama*, the mine layer *Tokiwa*, one aeroplane carrier and seven destroyers.

The first foreign reaction to the announcement came from London on April 21, a *United Press* despatch from that city reporting that: "Great Britain intends to consult the signatories of the Nine Power Pact in the event that the reported Japanese restoration of Port Arthur as a naval base is verified." "It is also said here," the despatch resumes, "that it is assumed the Committee of Nineteen of the League of Nations also will undertake investigation of the Japanese action, which is attracting the keenest interest in British naval and official circles." On the following day (April 22) another *United Press* despatch announced that British officials had retracted their earlier opinion, and had stated that, as the restoration of the Port Arthur naval base does not constitute a violation of the Nine Power Pact, or other treaties, there is no occasion for a consultation of the signatories. Evidently the officials in question did some fast over-night thinking. It is clear, however, that while the reopening of this naval base violates no existing treaty, the effect of such a move on naval strategy in the Far East is of considerable concern to the naval experts of the foreign powers.

Situated on the extreme southern tip of the Kwantung peninsula the value of Port Arthur as a base for naval operations in the Yellow Sea and Gulf of Chihli area is obvious. Whether or not Japan recognized that fact when she demanded the cession of the Kwantung peninsula as part of her reward for winning the war of 1895 is not known. That it was recognized by Russia is certain, for in the Convention of March 27, 1898, which provided for a twenty-five year lease of the peninsula to her by China, Article I declares that: "For the purpose of ensuring that the Russian naval forces shall possess an entirely secure base on the litoral of northern China, H. M. the Emperor of China agrees to place at the disposal of the Russian Government on lease, the Port Arthur and Ta-lien-wan (later Dalny and now Dairen), together with the water areas contiguous to these ports. This act of lease, however, in no way violates the sovereign rights of H. M. the Emperor of China to the above-mentioned territory." Article VI of the Convention provided that Port Arthur was to be an exclusively military-naval port. And so it remained until its capture by the Japanese in 1905.

The lease of the territory described above was officially transferred from Russia to Japan in the Treaty of Peace that was signed at Portsmouth on September 5, 1905, Japan inheriting all rights, privileges and concessions granted in the original convention, and in addition receiving all public works and properties in the affected territory which had been constructed by Russia. China gave her consent to the transfer in a treaty which she signed with Japan on December 22, 1905. A further treaty, which was signed (under duress by China), on May 25, 1915, extended the time of the lease to nine-nine years, thereby advancing the date of expiration to March 28, 1997.

Contrary to popular belief, the naval station of Port Arthur was in no way affected by the various treaties signed at the Washington Con-

ference. Article XIX if the five power treaty for the limitation of naval armaments, which provides for maintaining the status quo of certain fortifications in the Pacific belonging to the United States, Great Britain and Japan, applies only to the insular possessions of the last named country. It is perhaps significant, however, that since December 1922, the Port Arthur naval base has been used only as the headquarters of the Japanese Naval Defence Corps, active naval operations there having been abandoned "for economic reasons." The same reasons could be reasonable advanced as being responsible for the decision to restore the base to an active status.

It is apparent that Japan is determined not only to hold and develop the economic resources of her recent conquests on the Asiatic mainland, but proposes to be prepared to dominate that portion of North China which she has not yet occupied, as well. Port Arthur's latent strength rests in its strategic location at the entrance to the Gulf of Chihli, the Channel at that point being less than a hundred miles in width. A fleet based there can comfortably dominate the China coast north of the Yangtsze, and effectively guard the western shore line of Korea as well. Small wonder that the aforementioned announcement provoked the British Admiralty, in an unguarded moment, to give vent to an expression of alarm. If the truth were known it is reasonable to presume that the concern of naval headquarters of other powers was no less acute. And the question is: Will Port Arthur become the lock to the 'Open Door' in China?

WHAT ARE THE REAL FACTS ABOUT JAPANESE CASUALTIES?

THE Japanese official military Bulletin issued at Tientsin on April 13 stated that total Japanese casualties in the Manchurian campaign from the beginning on Sept. 18, 1931 to April 10, 1933 totalled 4,947, including 1479 killed and 3,468 wounded. Further reports pertaining to enshrinement ceremonies for the ashes of the dead which were held at the Shintoist temple in Tokyo, mentioned the number of killed as 1,500. But nothing was said about the casualties which the Japanese suffered as a result of the intervention at Shanghai in January and February of 1932, which were heavy and by some thought to have equalled those of the Manchurian campaign altogether.

On March 8, about a week preceding the announcement of Manchurian casualties which was issued from the Japanese military headquarters at Tientsin, a Captain Ota of the General Staff in Tokyo was quoted in the Japanese newspapers as stating the casualties in the Jehol campaign alone, up to that date, totalled approximately 1,000 dead and wounded. On March 7 one Japanese ship from Dairen, which docked at Moji, carried 200 wounded Japanese soldiers, including two officers. All were from the Jehol sector.

An official record of military casualties which appeared in a chart prepared by the General Staff, and published in the monthly supplement of the *Manchuria Daily News* for April 1, showed 227 casualties, including 73 killed and 154 wounded, resulting from six so-called "anti-bandit" campaigns in Manchuria conducted between July 1932 and Jan. 1933.

In the eight weeks which have elapsed since the announcement on March 8, there has been further heavy fighting in the vicinity of the Great Wall with consequent heavy Japanese losses. No official statement of the General Staff in Tokyo pertaining to recent losses, has been issued, but two *Rengo* despatches from Kupeikow which appeared in the *Japan Advertiser* on April 24 told of heavy Japanese losses resulting from battles on April 21 and 23. In the fight on April 21 the Japanese admitted losses were 21 killed and 43 wounded, the killed including Lieut. Ibaraga and the wounded including Major Soda and Lieut. Saito. The other report dealing with the battle at Kupeikow on April 23 stated the total Japanese killed and wounded was 64, the dead including a lieutenant while a major was dangerously wounded.

On April 23 the Osaka Mainichi printed a picture which had been taken in front of the military transportation department at Kobe, showing boxes containing the ashes of 103 victims of "North-Manchurian and Great Wall" campaigns. These bodies had been landed at Kobe by the O. S. K. steamer, *Harbin Maru*, on April 21, hence could not have included the ashes of dead resulting from the Kupeikow battle of April 21 and 23.

It therefore seems logical to believe that Japanese casualties are mounting rapidly and probably greatly exceed the figures released from time by the General Staff at Tokyo or the subordinate military bureaus in China. This apparently would explain the recent statements of high Japanese officers regarding the necessity for sending more troops to the Manchurian front. Gen. Koiso of the General Staff, who recently made a trip of inspection to Manchuria, was quoted to this effect and in addition there was the recent decision of General Araki, War Minister to send all new recruits directly to Manchuria for training instead of training them at home in Japan as previously had been the custom. On March 25 during the latter part of the Diet session, approval was given to a War Department recommendation for the organization of new army units "consisting in all of about 100,000 non-commissioned officers from the active service as well as the reserve list." Also it was provided for the increase of students at the Military College to a total of 360. This included the training of a poison-gas unit at the school at Narashino. The War Office also announced that the number of regular recruits this year would be increased by 17,000.

However, there doesn't seem to be any end to Japan's potentialities of man-power, if one would believe Nakano Seigo, spokesman of the new Kokumin Domei party which is headed by Mr. Adachi. Writing in the *Diplomatic Review* on Japan's present "glorious isolation," Mr. Saigo declared,

> "The latest economics teaches us that man-power is the greatest element of wealth. It is goods rather than money, man rather than goods, that is essential. Japan possesses this human element preeminently in her 70,000,000 people of superior quality, who excel in learning and in work and are strong in fight. They are excitable, but they withal possess a sense of self-examination such as defies comparison with the French and Italians. In the fields, they are

thrifty and hard-working farmers. In factories, they are diligent and peerless operatives. In arms they are most brave soldiers. They are, moreover, backed up by the Korean brethren who have cast in their lot with them, and the 30,000,000 population of Manchukuo, who have sworn co-operation with them. Spreading over Japan proper, Korea and Manchuria and Mongolia, then, we have picked Asiatics numbering 130,000,0000. This mass is what constitutes the essential element of Japan's military power and the root and stem of her economic strength. If this human element, peerless in the world, cannot be rationally organised so as to develop a great industrial and economic power, the fault must lie with the ignorance and impotence of the leading classes in political and financial circles."

But all of this wealth of man-power apparently will be needed shortly to defend the Empire, according to a recent statement of Gen. Araki before the annual conference of prefectural governors. In this connection Japan's chief warlord called attention to alleged dangers abroad and disharmonies at home, declaring, "The general situation at home and abroad indicate that the country's difficulties are still formidable and there should be no mistake about it. It would rather seem that Japan will have to face greater difficulties hereafter than she has hitherto encountered."

Reason for Moscow's Anti-Vickers Trial Disclosed in Anglo-Soviet Squabble in Sinkiang

METROPOLITAN - VICKERS, manufacturers of electrical machinery, is a branch of the large British armament firm of Vickers-Armstrong, which is now said to be a much more extensive industry even than the Krupp concern which dominated the armament industry of Germany and continental Europe prior to the world war. Whenever there is a hint of a rebellion anywhere in the world, a representative of this manufacturer of British arms and munitions is certain to turn up shortly in the immediate vicinity of the disturbance. Representatives of French, American, Belgian, Czecho-slovakian and Italian arms houses are also likely to appear on the same scene shortly, but none of the concerns in any of these nations are as important or have such close connections with their respective governments as Vickers-Armstrong of Great Britain. As a matter of fact Vickers-Armstrong has branches or close affiliations in many of the above-mentioned countries, particularly Japan. Before the world war there were four of these so-called "arms-dynasties" in Europe, Vickers-Armstrong in England, Schneider in France, Krupp and Stumm in Germany and Putilov in Russia. The war put Krupp and Putilov out of business but enhanced the enterprises of Vickers-Armstrong of Britain and Schneider of France, who are closely affiliated. Georges Hoog, well-known French writer and political pamphleteer (*Living Age* for Nov. 1932) charged that while both Vickers and Schneider had sold considerable arms to China, that these two firms had been responsible, more than any others, for the arming of modern Japan. A knowledge of the ramifications of these firms and of the political influence which they wield in their respective countries goes a long way in explaining the sometimes baffling political moves of Britain and France in international politics.

This will serve as introduction to an explanation of the recent drama staged in Moscow which involved the trial and prosecution of six British engineers employed by Metropolitan-Vickers, a branch of Vickers-Armstrong. The Soviet authorities charged the managers and employes, including several Russians, of this important British armament house with espionage and subversive activities detrimental to the peace and welfare of the U. S. S. R. The trial was carefully staged and exploited throughout Russia for obvious political effect. And the British Government was no less dramatic in its reactions: First the British demanded the immediate release of the accused Britons and when that was not complied with, the British Ambassador was withdrawn from Moscow. Then on the eve of the trial, Parliament passed a law giving the Government power to suspend all trade relations with Russia. Immediately following the conclusion of the trial wherein all of the Britons were found guilty, four being ordered deported and two sentenced to jail terms, the British Government enforced its embargo on Soviet goods.

Neutrals in all countries who followed closely the developments in the Soviet-Vickers trial and reactions of the British and Russian governments were frankly puzzled for a real explanation. About the only serious charge against Metropolitan-Vickers which really was proved, and finally admitted by the British engineers themselves, was that the British firm had sold the Soviet Government some machinery which turned out to be defective. Obviously this was not sufficient justification for the melodramatic political trial, for the Soviet authorities could easily have rectified this situation by refusing to pay for the machinery and barring Vickers from further orders. Another element, equally obvious, was that if Soviet industrial development is as firmly established as it is claimed, it would be impossible for a few British engineers to wreck the show. As for the espionage charges, there is likewise nothing mysterious about this: men who work for munition houses are obviously espionage officers for this is part of their business. Their success in selling arms depends to a large extent upon the accuracy of their information regarding conditions in the foreign country where potential customers exist. The Soviets charged that the British engineers were spying on Soviet factories where arms are being manufactured. Of course the Britons were doing this for it was part of their job, but why did the Soviets make such a fuss about it, unless there was some hidden motive behind the show?

It was claimed that the British Government quickly seized the opportunity provided by the arrest of the British engineers, to make a diplomatic incident of the affair as a means of terminating the Anglo-Russian trade agreement. The alleged British object in this regard was to clear the way for purchases of Canadian products under the new empire trade policy, but whether

true or not from the British standpoint, it did not explain the original Soviet action in arresting the British engineers and stirring up a political commotion over a matter which obviously did not vitally affect the peace or welfare of the Soviet Union.

The answer to this puzzle and it seems to be quite logical, is to be found in Anglo-Soviet rivalries and intrigue in Chinese Turkestan, an important territory which is known among the Chinese as the "New Dominions" or Sinkiang. It's a long way from a Mohammedan uprising in Sinkiang to Moscow and London, but there is an obvious connection. As a matter of fact the whole thing has been disclosed in despatches received in Nanking and Peiping in recent days since the Mohammedans put over their rebellion and occupied Tihwa, capital of Sinkiang. Much of the material already has found its way into the Chinese newspapers, but not the whole story, the gist of which is to the effect that the Mohammedans allegedly were supplied with rifles and ammunition by British firms, otherwise Vickers-Armstrong and affiliates, which have branches in Persia, Afghanistan and Kashmir, the two last-mentioned countries bordering on Sinkiang. The former Chinese dependency of Tibet also figures in the story for the Tibetans likewise are expanding their territorial boundaries at the expense of China and like the Mohammedans in Singkiang they are using British guns and munitions.

But why are the Russians worried? The answer to this is equally simple: These uprisings and shiftings of political influence in Central Asia menace the interests of the Soviets who likewise have a stake in this part of the world since their territories also border on these areas. Sinkiang, for example extends as a wedge into Central Asia, separating the territories and dependencies of the U. S. S. R. from those of British India. On the south and southwest of Sinkiang are Persia, Afghanistan, Kashmir of Upper India and Tibet. On the west and north of Sinkiang are Russian territory proper and Mongolia. Mention of Mongolia also brings another element into the picture for recent Chinese despatches from Sinkiang state that Japanese agents also have had a hand in the recent Mohammedan uprising, but more on that later. The gradual weakening and threatened disintegration of the Chinese Republic which has followed the 1911 revolution, but which has been greatly speeded up by the Japanese occupation of Manchuria, has started the inevitable scramble for Chinese territories. Unless the Chinese leaders are able to unify their interests and reorganize their affairs shortly, all of these outlying territories are bound to fall off and be gobbled up by more powerful rival nations. As the situation stands today, Japan controls Manchuria and is driving into Inner Mongolia. Russia controls Outer Mongolia, and is fighting to maintain her influence in Sinkiang. Britain practically controls Tibet and is expanding her influence from Tibet into Kokonor and western Kansu as well as Sinkiang. Finally there is French influence, almost predominant in Yunnan province and gradually being extended into Kwangsi and Kweichow provinces. Should the process of disintegration in China continue, the map of the country ten years hence, will include only the Yangtsze provinces in the center, the territory south of the Yellow river in the north and in the south only those provinces between Canton and the Yangtsze. From eighteen provinces and several immense outlying territories, the net area of the country will be reduced to some ten or eleven provinces embracing those along the Yangtsze and fronting on the Pacific.

Three years ago the Soviet Government drove a railway, known as the "Turk-Sib," (Turkish-Siberian) southward along the western border of Sinkiang which terminates within striking distance of the Afghanistan and Kashmir frontiers. The British authorities in India retaliated by sending an expedition into Sinkiang, announcedly for exploration purposes, but actually for purposes of intrigue among the natives of the territory. Now there is a so-called Mohammedan rebellion which the Chinese and Russians both claim was armed by British interests. And finally we have the further Chinese allegation that the Japanese also have a hand in the disturbances, operating from Inner Mongolia. Russia, being unable to get at the British in any other manner, arrests and discredits the chief British munitions firm of Vickers. In all probability there will be further manifestations of Anglo-Russian animosities in China proper in the not-distant future, due to China's resumption of relations with the Soviets and the arrival of the Russian Ambassador, M. Bogomoloff, in the national capital.

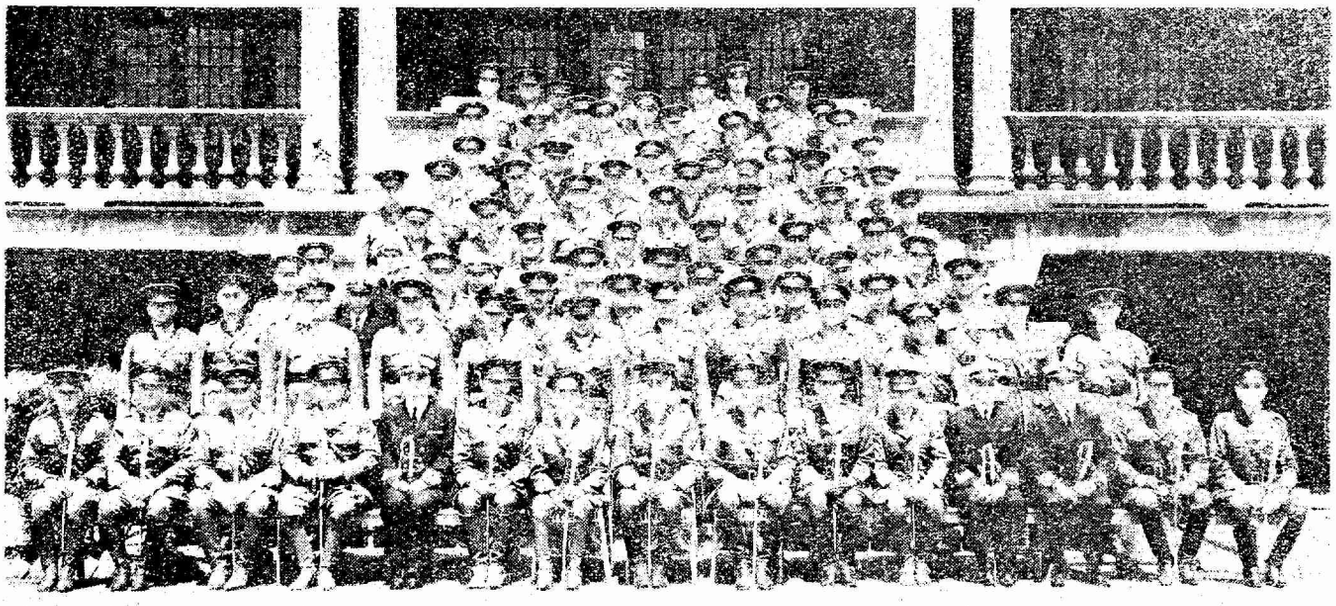
Much of the trouble which developed in China from 1926 to 1928 was due to Anglo-Russian rivalries in China. The Soviet Russians were helping the Chinese Nationalists and at the same time propagating communism, and this aroused the antagonism of the British. Today the Japanese claim their seizure of Chinese territory in Manchuria and military activities generally on the Asiatic continent are based on "self-defence" against the Soviet Russians. Recently British interests in Shanghai in cooperation with the French and Japanese and with a few Americans and other nationals included for window-dressing purposes, organized a so-called Foreign Residents Association, one primary object of which apparently is to conduct a propaganda campaign against the new Soviet-China combination, and if possible put over a "free-city scheme" at Shanghai which would amount to a further grab of Chinese territory.

Sinkiang province has been Chinese territory, almost continuously since the first century, A. D. The Mongol conqueror, Genghis Khan, amalgamated the territory definitely with the Chinese Empire in the thirteenth century. It was then known as Kashgaria and the large Chinese garrison established in Kashgar provided the foundation for later Chinese ethnic influence. But the Chinese population is still in a minority among the 2,000,000 people who sparsely occupy the 400,000 square miles of Sinkiang domain. Most of the people consist of Kirghis, Kazaks and Mongols who are generally lumped together as Turkomans. Those professing the Mohammedan religion are most numerous, it being significant that the first news of the recent revolt seeped out through Constantinople. Naturally the Sinkiang Mohammedans are closely affiliated with fellow religionists in northern India, Afghanistan and Persia, where British-Indian influence is pre-

dominant. The Chinese population, due to its commercial strength and trading genius, has always exercised the predominant political influence and the governor of the area has always been Chinese, often a Chinese Mohammedan. But Chinese influence has gradually become weakened due to the collapse of government in China proper since the 1911 revolution. Whether the present revolt, resulting in the Mohammedan occupation of the capital at Tihwa and the flight of the Chinese Governor, Gen. Ching Shu-jen, means the eclipse of Chinese political influence and the beginning of a grim struggle between Russia and Britain with Japan poking into the squabble from the sidelines in Mongolia, remains to be seen. But at least we have one explanation for the Soviet action against British Metropolitan-Vickers in Moscow!

Threatened Withdrawal of American and British Forces from China

JAPAN'S decision to revive the naval base at Port Arthur and the stationing of the Imperial Second Overseas Squadron at that point, brings prominently to attention the question of a withdrawal of the American forces from north China. Also, it brings into prominence the continued use of Chefoo on the north Shantung coast as a summer training base for the U. S. Asiatic Squadron. Chefoo is less than 100 miles south of the "resuscitated" Japanese base at Port Arthur and as for the American troops at Tientsin and the contingent of American Marines at Peiping, both are well within the sphere of Japanese military influence considered from the standpoint of the Japanese naval base at Port Arthur as well as the Japanese military positions along the Great Wall.



Officers of the Fourth Regiment, U. S. Marines, now stationed in the International Settlement at Shanghai.

The significance of Japan's decision to revive Port Arthur is discussed elsewhere in these columns of *The Review* but it doesn't require a military expert to realize that the American forces in north China are in a "precarious" position, from the standpoint of contact with other American forces, military or naval, in the Far East. Obviously no American supply or relief ship can visit Taku or Chinwantao without the at least nominal consent of the Imperial Japanese Navy. That this matter is fully realized in Washington was indicated in the recent recommendation of Major-General Johnson Hagood to the Military Affairs Committee of the House of Representatives. He recommended the withdrawal of the American forces from north China and their transfer to the Philippines. The recommendation was made in the interest of economy, but other considerations probably had greater weight in the recommendation. The U. S. forces at Tientsin consist of the 15th Infantry Regiment which has a strength of some 700 officers and men. The Marine contingent at Peiping consists of some 500 officers and men.

While the American forces in north China are directly affected by the recent Japanese developments in that area, it is no secret that the American forces, as well as the British, stationed at Shanghai are likewise affected by recent changes in the Far Eastern situation. The American forces at Shanghai consist of the 4th Regiment Marines with a strength of some 2,000 officers and men while the British have approximately the same number of regular troops. Although no announcement bearing on the subject here has been made it is obvious that serious consideration is also being given to the Shanghai situation both at Washington and London. The *North-China Daily News*, leading British organ, published a dispatch from its correspondent in London on May 2 stating the British army authorities were giving serious consideration to questions pertaining to the upkeep of the British forces in Shanghai. The specific question now receiving attention is the matter of housing,

since the billets originally constructed in 1927 must either be abandoned or replaced with permanent structures. And since permanent structures would cost considerable money, this has brought up prominently the matter of either withdrawing or greatly reducing the British military strength in the International Settlement.

Since the American forces at Shanghai are somewhat similarly affected, it is understood that serious consideration is therefore being given to the whole matter of the permanency of the military and naval contingents stationed at the mouth of the Yangtsze. In other words, what would happen if the American and British forces were entirely withdrawn from Shanghai and the status prior to 1927 re-established? An answer to this question leads inevitably into the realm of international politics for the Japanese also have naval units stationed here, the present Japanese strength being around the 2,000 mark. Actually a considerable portion of the Japanese force is stationed well outside the limits of the foreign settlement, one contingent of 300 naval units being located at a Japanese-owned cotton mill in the western district beyond the Chungshan road, while the Japanese naval headquarters and other forces in the Honkew district likewise are outside the Settlement borders. Since the Japanese would be unlikely to agree to a simultaneous withdrawal with the American and British forces, and even if they did the agreement would not be worth anything; hence the likelihood is that a withdrawal of the Anglo-American troops probably would result in the virtual handing over of the Settlement to the Japanese.

That the whole American and British military and naval status on the China coast has been vitally affected by the Japanese expansionist movement on the continent should now be apparent to everyone. A dispatch by the *United Press* which appeared in the *Evening Post* on Tuesday of this week stated that President Roosevelt and administration officials generally are now giving serious consideration to the Far Eastern problem. The report stated that Dr. John Leighton Stuart of Yenching, leading American missionary educational institution in Peiping, had conferred with the President and later had submitted a written memorandum on the matter of Japanese military activities in north China. Dr. Stuart declared these military movements had no justification and constituted a violation of every treaty bearing on the relations of China and Japan, to which the United States is a party. He recommended the immediate use of political and economic pressure by the United States and the western Powers in support of China's territorial integrity. There was, of course, nothing new in Dr. Stuart's declaration, the facts of which have been apparent since Japan's original move at Mukden on September 18, 1931. What is happening now is that the United States and the western Powers, particularly Britain, are beginning to feel the inevitable results of their failure to make a more definite stand at the beginning. Much more will be heard of this subject in the next few weeks due to the early arrival in Washington of delegations from China and Japan to participate in the discussions pertaining to world economics and finance.

China's Two Problems: Bandits and the Japanese

Various telegrams during the week from different parts of the country left considerable doubt as to the present whereabouts of General Chiang Kai-shek. There were reports that he had flown to a north China destination, Paoting and Peiping being among the places mentioned, but the telegrams were contradictory. Wang Ching-wei stated in Nanking May 2 that General Chiang was still in Kiangsi.

According to reports received at Canton, acting under orders of General Chen Chi-tang the engineering corps of the Kwangtung army are now busily constructing defence works along the Canton-Shaokwan Railway. The old trenches dug several years ago during the war between Hunan and Kwangtung are now being repaired while the trenches dug around Canton during the war with General Chang Fa-kwei about two years ago have also been repaired. The repair and construction work is proceeding with great haste. There is every indication of another civil war breaking out in northern Kwangtung in the near future.

The alleged decision of the South-Western military authorities to drop the proposal for the despatch of an expeditionary force to the North to assist in resisting the Japanese was the subject of a bitter message recently addressed by General Li Chi-shen (former head of the Kwangsi group and now Inspector-General of Military Training in the Central Government) to Generals Chen Chi-tang, Li Tsung-jen, Pai Chung-hsi and other South-Western military leaders.

The Association in Support of the Bandit-suppressions Campaign organized jointly by various civic organizations in Kiangsi recenty issued a circular telegram to impress upon the nation the fact that the bandit menace in Kiangsi is no less serious than the Japanese invasion and that it is impossible to offer effective resistance to the alien invaders without first removing the Red menace in the heart of the country.

The remnants of the Communist troops in northern Szechuen are still active, a recent Chengtu message states. They are now concentrating at Wulungwa and Taminwa, where they have successfully repulsed all attacks by the Szechuen provincial forces.

Chen Kwang-ping and seven others who were recently arrested in Shunteh, Hopei, on a charge of indulging in communist propaganda among the peasantry, were handed over to the Peiping Branch Military Council for questioning April 27.

Eugene Chen, one-time Foreign Minister arrived in Canton April 29 by boat from Hongkong, accompanied by Kan Kai-hou, inspector general of foreign affairs for Kwangtung. He was formally appointed a member of the Southwestern Political Council at a meeting of the Executive Committee May 1.

Hu Han-min Criticizes Non-Resistance Policy

The non-resistance policy of the Nanking Government was bitterly denounced in a recent circular telegram purported to have been circulated by Hu Han-min, former President of the Legislative Yuan and veteran Kuomintang leader, who is leading a life of retirement in Hongkong. The veteran statesman, stated he would not lend his support until the Nanking Government adopts an open resistance policy towards Japan by the Northern front and supporting volunteers now engaged in resisting the Japanese. Mr. Hu blamed the Nanking Government for procrastinating with regards to adoption of a strong policy towards Japan and blames the Nanking leaders for the loss of several of the provinces and the defeat of military leaders who voluntarily engaged in resisting the Japanese.

It is reported that General Huang Fu, former Minister of Foreign Affairs, has accepted the post of chairmanship of the North China Political Committee shortly to be organized.

Alleged Chinese-Japanese "Peace" Terms---Nanking Denial

A spokesman of the Foreign Office in Nanking April 27, categorically denied a report in the London *Daily Express* alleging that peace discussions are under way between China and Japan. The alleged peace terms are:—Recognition of Manchukuo; demilitarized zone on both sides of the Great Wall; protection of North China ports by the Japanese navy.

Manchukuo Industrial Bank to Be Established

Now that the Central Bank of Manchukuo has been placed on a firm foundation, the Minister of Finance is drafting a law for establishing the Industrial Bank of Manchukuo. It is understood that the proposed bank will be capitalized at 10,000,000 yuan, half of this sum to be held by the Manchukuo Government and the other half to be subscribed by the Japanese Oriental Development Company, the Japan-Manchukuo Colonization and Financing Company and others.

With the object of supervising and regulating the Government match and other monopoly businesses with the exception of the salt monopoly, the Ministry of Finance of Manchukuo has decided to establish a Monopoly Bureau, an appropriation for which will be in the budget for the next fiscal year beginning July.

The Ministry of Finance of Manchukuo has completed the drafting of the Banking Law, by which not only domestic banks but also branches of foreign banks doing business in Manchukuo territory, savings associations and money exchange agencies will be affected.

Japanese Students to Inspect Country

Professors of several universities in Japan are planning to send 1,000 students to Manchuria during the coming summer on a tour of inspection in order to arouse interest in various enterprise in the new state. Part of the expenses are to be defrayed by the S. M. Railway, the Kuantung Army and the Manchukuo Government.

It was officially announced at Changchun, April 30 that subsidiary nickel coins of five and ten cents will be put into circulation by the Central Bank of Manchukuo on May 20.

K. Suzuki, a member of the Mariners' Union at Dairen, recently arrived at Changchun with a petition requesting the Manchukuo Government to allow only Japanese and Manchukuo vessels to navigate the Sungari River.

Forty-five Japanese judges and lawyers arrived in Harbin last week. A recent *Reuter* message expresed the opinion that the special commission which recently went to Harbin, on its return to Changchun, will recommend that changes be made in the personnel of the Harbin courts, and that many of these will be invited to join the service of Manchukuo.

A Young Men's Association, similar to those in the cities of Japan, has been organized in Harbin among resident Japanese youths. Among leading sponsors of the plan are the Harbin Chief of Police, and Mr. Shimazaki, chairman of the Japanese Residents' Council.

Several high officials, Japanese and Chinese, of the Manchukuo Government, have been committed to gendarmerie examination at Changchun charged with receiving bribes from a Japanese automobile dealer of Azabu, Tokyo.

Bandits Become Bolder

Reports from Newchwang indicates that the bandits in that neighborhood are becoming bolder than ever. Among recent kidnappings was that of a Chinese merchant.

According to a recent report from Antung a school at Hamotang, conducted by Danish members of the district, has been threatened with an attack by bandits under General Sun Teh-ming. These bandits have been carrying on depredations along the Autung-Mukden railway line.

Three gangsters staged a 300,000 yuan robbery in broad daylight in Harbin April 16, killing two policemen and two women. They made good their escape.

Buriats from Eastern Siberia have recently begin crossing over into Manchukuo at points north of Manchuli. It appears that these refugees cross the frontier in batches of from eight to 30 people and it is stated that in most cases the men are armed with rifles. The reports add that they all tell the same story, namely that there is nothing to eat in many districts of eastern Siberia.

Japanese Active Along Nonni River

Japanese military movements along the Nonni River and Hei Ho are in full swing, a recent Peiping telegram stated. Large quantities of war supplies are being rushed to the Heilungkiang frontier. Two Japanese divisions, said to have been recalled from the Great Wall, have arrived at Manchuli.

Re-enforcements are wanted by the Kwantung army because of the new developments in operations inside the Great Wall in North China, according a recent statement by Lieutenant-General Kuniaki Koiso, chief-of-staff of the Kwantung army, who arrived back in Tokyo recently.

Korean Independent Army Active in Kirin

According to reports received in military circles ta Nanking a mysterious military unit known as the "Korean Independent Army," commanded by a Korean named Li Kwang, is extremely active along the Kirin-Tunghua Railway in Kirin. The strength of this unit is estimated at more than ten thousand men. It is said to be equipped with modern arms. The Chinese newspapers state that the unit is causing much embarrassment to the Japanese and Manchukuo authorities.

Soviet troops are entrenching in the vicinity of Borzia, 68 miles from Manchuli; reservists between the age of 28 and 35 are mobilising in the Chita and Irkutsk districts, according to reports from Manchukuo sources.

Chinese Eastern Dispute Assumes Threatening Aspect

The Soviet-Manchukuo dispute over the ownership and operation of the C. E. R. reached a more acute stage during the week than at any time previously, due to the fact that Manchukuo is denying the Soviet Union's sole ownership of the line. Additional reports of the conversations between Mr. Kouznetsoff, Soviet Vice-President of the Railway Board, and the Manchukuo authorities were made public April 30, with the announcement that Mr. Kouznetsoff had been instructed to insist on the immediate return of normal railroad service and the exact observance of the Peking and Mukden treaties under which the Soviet Union claims full title to the line. In one of the exchanges of notes in Harbin, the Soviet Union was accused by the Mahchukuo Railroad Administration of "lawless one-sided actions," in transferring certain locomotives to Soviet territory.

The Soviet Government in a communique April 30 did not reiterate its claim to ownership of the rolling stock, which it "considered settled," but it did declare that the treaties signed between China and Russia and Mukden and Russian definitely admitted that the C. E. R. is Soviet property. Both those treaties, the communique stated, provide that China may purchase the road under certain conditions. This, the Government declares, is proof that China admitted that the title rested in Russia. The interference of Manchukuo officials, the Soviet Union maintains, amounts to treaty violation. The Moscow Government is now demanding that a technical agreement, fully regulating the operation of the road, shall be concluded immediately.

Manchukuo Says Soviet Reply Makes Amicable Settlement Impossible

Japanese officialdom has indicated that the C. E. R. dispute can only be solved by the Soviet agreeing to abrogate the Mukden agreement of 1924 and to conclude a new treaty. This new treaty with Manchukuo, they say, must be on equal terms.

A decision by Manchukuo to block transit to Suifenho, following Mr. Kouznetsoff's third reply on the Chinese Eastern Railway maintaining that the Soviet own the C. E. R., was followed by a declaration that the Soviet answer makes it impossible for an amicable settlement. Feeling has also been aroused by the report that two Soviet airplanes "trespassed" on Manchukuo territory by flying over Pingyanchen, a town about 15 miles from the Soviet-Manchukuo border, on April 23.

Soviet troops are entrenching in the vicinity of Borzia, 68 miles from Manchuli, according to recent advices from Harbin. They are reservists between the age of 28 and 35 and are mobilizing in the Chita and Irkutsk districts, according to reports from Manchukuo sources. It is further stated that Soviet citizens have been warned to prepare for all eventualities and to refrain from any action calculated to provoke strained relations between Russia and Manchukuo.

The Soviet Government is reported to have already sent twelve divisions of the Red Army to all the strategical points on the Soviet-Manchurian boundary, as a precaution against possible emergencies. In addition to these troops, about 300 airplanes are being massed at Vladivostok, Harbarovsk, Chita and Suifenho, on the Soviet border, it is alleged.

The Japanese-owned *Harbin Times* which of late has done its best to exacerbate the Russians, in its issue of May 2 said, "All thieves and their accessories on the railway must be held strictly responsible."

An epidemic of typhus fever has broken out among the refugees quartered in the barracks erected for flood victims by the Chinese Eastern Railway.

The Manchoukuo authorities have decided to rename the Chinese Eastern Railway the North Manchuria Railway.

The Soviet Customs office at Manchuli, at the western terminus of the Chinese Eastern Railway, was removed to Russian territory, May 2, at the request of the Manchukuo atthorities.

Japan Threatens New Drive Into North China

A Japanese telegram from Shanhaikwan, April 30, stated that the Chinese forces, which had once withdrawn to the west bank of the Luan River some time ago, were reported to be steadily advancing towards the vicinities of Peitaiho, with powerful reinforcement from the 19th Route Army and others. General Wang I-che's force reoccupied Changli and Funing on April 21.

The likelihood of fresh Japanese military operations south of the Great Wall in view of increased Chinese activity east of the Luan River and the prediction that Japan would deal "drastically" with Chinese troops if they again advanced towards the Great Wall, was foreshadowed in a statement made by a spokesman of the War Office in Tokyo May 2. He said he regretted the "wild rumors" circulated by the Chinese that the Japanese withdrawal was in consequence of disorders in Manchukuo and said that "a grave situation" was likely to occur unless the Chinese ceased their activities. He also commented that the Chinese, by continuing their provocations, showed that they had failed to "profit from recent experiences."

The Kawahara Brigade completely occupied Kupeikow pass April 29, according to an official announcement of the Japanese Army.

A Peiping telegram May 1 stated that the 26th Army under General Hsiao Chih-chu had attacked and routed the Japanese troops at the Hsinglun Shan (Mountain), outside of the Great Wall. The tense situation at Hsinglunghsien was thereby relieved.

Chinese dispatches from the Luan River region reported a Manchukuo counter-attack May 1 between Funing and Peitaiho, but it is not believed to have been of a serious nature. The reports stated that the iron bridge near Liushouyang has not yet been repaired and for this reason the train service was impossible beyond Changli, one station west of Peitaiho.

Despite slight skirmishing on April 30, when Japanese troops from Haiyang checked the Chinese advance, the situation east of the Luan River seems definitely quieter, a *Reuter* telegram from Peiping May 2 stated.

The Chinese troops at that time were not advancing east of Peitaiho, with the exception of armored-trains which are protecting workers repairing tracks damaged by the retiring Manchukuo troops.

One brigade of Japanese troops which had been operating in Jehol left Shanhaikwan for Harbin April 30.

Japanese Take and Then Withdraw from Dolonor

According to a Chinese telegram from Kalgan, 10,000 Manchukuo troops under the former volunteer commander, General Liu Kuei-tang, assisted by 400 Japanese, attacked Dolonor on April 28, with airplanes and tanks supporting the main body of troops, and occupied the city on the evening of April 29.

The Natienmen sector, near Kupeikow, continues quiet and the trouble at Dolonor appears to have subsided with the withdrawal of the Japanese-Manchukuo forces, and the reoccupation of the city by the Chinese.

Japanese Planes Raze Nantienmen

The two plateaus on the left wing of Nantienmen, hitherto held by the Chinese troops, having been razed to the ground by Japanese artillery fire and aerial bombardment, the Chinese abandoned them April 29 and retreated to their second defence line at Hsinkailing, a little south of their original line. Strong defence works were being erected between Nantienmen and Shihhsiachen.

A Japanese bombing plane, which was recently brought down by the gunners of the North-eastern army under General Ho Chu-kuo at the Anshan station, 13 miles east of the Luan River, was brought to Peiping April 27. Large crowds assembled at the station to see the war trophy.

Military Conference at Peiping

An important military conference was held at Peiping end of last week under the chairmanship of General Ho Ying-ching. The discussions centered on measures for the re-distribution of garrison areas among the troops inside the Great Wall. The meeting is reported to have decided on the abolition of all irregular troops enlisted under the names of "National Salvation Army" and "Anti-Japanese Armies."

General Ma Chan-shan is to be given command of the reorganized Volunter troops in North China upon his return from Europe, according to a recent Peiping telegram. General Wan Fu-lin, former Chairman of the Heilungkiang Government, has proceeded to Luanchow to assume control of the defence on the east of the Luan River. The troops under General Ho Chu-kuo are being recalled to the rear for a rest.

According to Chinese reports, General Li Chai-sum, former Governor of Kwangtung and well-known Kwangsi military leader, who has been recuperating in Hongkong during the last few months, has addressed a telegram to Generals Chen Chi-tang, Li Tsung-Jen and Pai Chung-hsi, urging them to send Kwangtung and Kwangsi troops for the relief of North China.

Geneva Anti-Narcotics Treaty Not Ratified

The Geneva Anti-Narcotics Treaty, limiting narcotic manufacture to the world's medical needs, has failed to receive the necessary number of ratifications. The United States was the first country to ratify the Treaty and both the Hoover and Roosevelt administrations gave it their full support. The last date for ratification was April 13. To bring the treaty into force 26 countries would have to ratify, and this number was not attained on the date mentioned. Up to February 24, the following countries had ratified: United States, Bulgaria, Canada, Italy, Mexico, Monaco, Nicaragua, Peru, Persia, Portugal, Sweden, and Turkey.

Japanese Cotton Yarn in Exchange for Persian Opium

A recent message from Teheran printed in Japanese newspapers stated that the Mitsubishi Trading Company had proposed to the Foreign Trade Bureau of the Persian Government that the Company purchase Persian opium and raw cotton to the value of approximately Yen 17,000,000 against its sale of cotton yarn for close to the same amount. If the transaction succeeds. Japan's trade with Persia will comprise one-sixth of Persia's annual total. At the same time, Japan's direct imports from Persia will jump 10 times from the present Yen 1,700,000.

Nearly half a ton of refined opium was discovered by the French police in the prison cells of the liner *Theophile Gauthier* on its arrival in Marseilles April 21 from Istanboul.

Garfield Huang, general secretary of the National Anti-Opium Association of China in a recent circular letter said the awful plight of the opium scourge in China could largely be attributed to the corruption of the system of opium suppression. Incidentally it was stated that due to financial stringency of the Association at present, its activities were greatly hindered.

Hu Shih-tse (Victor Hu) was appointed delegate to the 16th meeting of the International Opium-Suppression Advisory Committee of the League of Nations by a Mandate issued at Nanking April 29.

Manchukuo Opium Scandal

C. Yates McDaniel writing from Harbin, for the *Shanghai Evening Post* April 23 gives details of an opium smuggling scandal involving several of the high military officials of Manchukuo.

Early this month it came to the notice of the C.E.R. Railway Police that a steady stream of opium was finding its way into Harbin by way of the railroad. Subsequent investigations revealed that the officer who had attempted to bring in the opium was none other than General Chang, aide-de-camp to General Yu, chief of the Manchukuo railway military guards, who only a few months ago led the Manchukuo troops on the march from Kirin to Harbin when said city was occupied by the combined Japanese and Manchukuo forces.

Economic Conference Will Open in London June 12

The World Economic Conference has been formally convened to meet in London on June 12. The King will personally open it. Fifty-four nations including Soviet Russia will participate.

Norman H. Davis, President Roosevelt's ambassador at large, met the committee in London April 29 and proposed a gentlemen's agreement for a tariff truce. There were several objections to the proposal and it was understood that some nations felt that they could not agree to such a truce until after tariff adjustments had been made.

A Washington telegram stated that the State Department was plainly disappointed when it learned that the proposal for tariff truce had not been accepted by the conference organizing committee in London.

Ramsay MacDonald, the British Prime Minister, departed from New York April 26 on his return to England. An official statement was issued by President Roosevelt and Mr. MacDonald declaring that the necessity for an increase in the general level of commodity prices was recognized as primary and fundamental, and that the central banks should, by concerted action, provide adequate expansion of credit and every means should be used to get credit thus created into circulation.

President Roosevelt, Ramsay MacDonald and M. Edouard Herriot have agreed to a temporary currency truce, in which Germany and other countries will be asked to join and which will be effective simultaneously with a tariff truce before the holding of the World Economic Conference, the New York *Times* stated April 29.

Recent telegrams from Washington indicated that President Roosevelt may attend the London Conference as a visitor, not as a delegate. The American delegation will be headed by Secretary of State Hull.

Japan Sends Strong Delegation to Conference

Mr. Hongo, Councillor of the Trade Bureau of the Ministry of Commerce and Industry, will proceed to Washington and London to assist the Japanese delegation at the World Economic Conference on matters concerning Japan's trade and commerce.

Shigekuro Kadono, a prominent Tokyo businessman, will also act as adviser at the Washington negotiations.

Captain Sonosuke Kobayashi, of the Japanese delegation to the World Disarmament Conference, has been ordered by the Japan Naval office to proceed to Washington to assist the Japanese delegates to the Washington negotiations in case subjects regarding disarmament are brought up for consideration.

Japan's attitude was decided at a joint conference of six Ministries, in Tokyo May 2. Japan favors a reciprocal tariff in principle; also favors the proposed customs holiday, provided that such is actually enforced by the powers; Japan opposes the proposal of deciding a permanent rate of exchange between Japanese and American currencies, prior to the London Conference.

U. S. Senate Passes Inflation Measure

Despite impassioned opposition by Republican Senator Reed and Democratic Senator Carter Glass, the U. S. Senate April 28 adopted the general inflation bill, the farm relief bill and defeated the proposal to pay the soldiers' bonus in cash. The measure is now before the House, where strong opposition has developed, but it is generally believed that it will pass. By the terms of the bill, the President is authorized to issue a total of U.S.$6,000,000,000 in new Treasury notes; foreign war debtors are permitted to pay as much as U.S.$200,000,000 of their debts in silver in the next half year; and the President may revalue the United States dollar downward as much as 50 per cent.

An agreement was reached in Paris, April 27 for a 25 to 30 million sterling short term loan from Great Britain to France. A record total of £184,000,000 worth of gold was held by the Bank of England on April 19.

The Senate May 1 passed the Wagner-Lewis unemployment relief bill, authorizing the establishment of a fund of G$500,000,000 for unemployment relief grant to the states of the Union. The Finance Construction Corporation will raise the money by the sale of bonds.

The farm relief measure provides that acreages of basic farm products including grains, cotton and sugar shall be reduced under a system whereby farmers will receive bounties. The bounties will be obtained by taxing the proceed products.

The United States Treasury May 2 prohibited gold exports to meet the maturing United States obligations held abroad, or to pay the interest coupons on these obligations. American currency now stands at a 15 percent discount compared with gold, as revealed by New York-Paris cross rates.

Chinese Views on Suspension of Gold Standard

Commenting upon the suspension of the gold standard by the American Government, Dr. Ma Yin-chu, Chairman of the Economic Committee of the Legislative Yuan, in an interview at Nanking April 31, pointed out that Japan would suffer most from this momentous move; as, with the drop in the exchange, there would be a boom in the American trade with China and India to the detriment of Japan. Regarding its effects upon China, Dr. Ma pointed out that in the first place, the purchasing power of the people would be increased, as they would be able to obtain American goods at a much lower cost. The boom in the American import trade would also tend to increase the Customs revenues. On the other hand, the influx of American goods would hamper the development of infant native industries.

Philippine Trade Delegation Accorded Hearty Welcome

The Philippine trade delegation, which had been visiting Japan and China, during the past few weeks, departed from Shanghai April 29 on its return to the Islands, making a short visit to Canton enroute. The delegation came back from Japan April 24. It was given a hearty reception by Chinese officials and also by the Chinese commercial community. The delegation visited many points of interest both in Shanghai and in Nanking, among them a number of industrial establishments. A banquet was given by Mayor Wu Te-chen at the Great Eastern restaurant.

America Too Busy with Domestic Problems to Listen to Filipino Plea

Manuel Quezon, president of the Philippines Senate, who has been in the United States recently for the purpose of inducing Congress to give better conditions for granting independence to the Islands, has found no support whatever, Congress being too busy with domestic problems to listen to him. America's attitude toward the Philippine independence question has been described in one American paper, as "take it, or leave it."

Chinese Ballet to Be Performed at Grand Theater

A Chinese ballet will be performed at the Grand Theatre Shanghai on Sunday night, May 21, under the auspices and with the collaboration of the Municipal Orchestra conducted by Maestro Paci. The ballet will be danced by Chinese young men and Miss Yuan Mei-yueng, a well known cinema actress; the music, which is Chinese in essence and spirit, though adapted to western instruments, is written by a Russian, A. Ashalamoff, and the direction and production in general will be supervised by a group of all nationalities.

Sponsors of the performance are Mrs. E. S. Cunningham, wife of the U. S. Consul General, Mrs. C. J. Chancellor, Mrs. Theresa Renner, Mrs. A. J. Hughes, Mrs. John S. Potter Mrs. Chester Fritz, Baroness von Ungern Sternberg, Madam Meyrier, Dr. Ann Fearon, Chang Kia-ngau, General Fung, T. F. Soong, Tsai Yuan-pei, Lin Yutang, Mrs. Eugene Chen, Hsiao Yui-mei and Yeh Kung Cho.

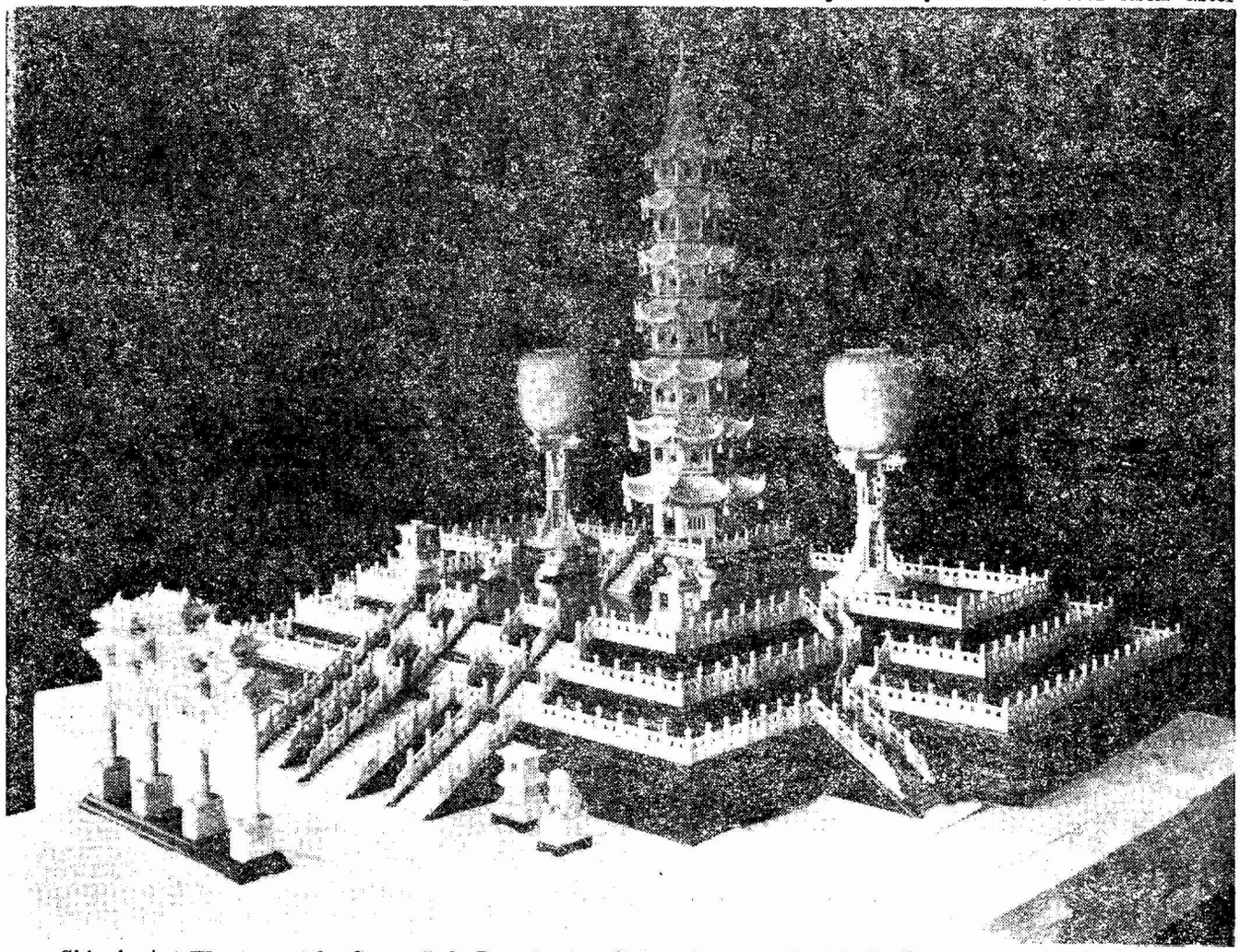
European Munition Factories Are Working Overtime

A recent despatch from Paris stated that European munition factories have been working overtime to fill secret shipments of war materials to centres of international dispute. Large orders for "steel products" were reported from Japan with a subsequent boom in the metallurgical industries of Germany and Belgium.

U. S. Congress last month passed a bill granting President Franklin Roosevelt the power to prevent shipment of arms and munitions to warring nations. This power has so for not been invoked.

The Wonderful Green Jade Pagoda for Chicago Exposition

Despite the unfortunate decision of the Chinese Government not to participate officially in the Century of Progress Exposition scheduled to be held next month in Chicago, visitors to the grand international Fair will not be disappointed by the absence of Chinese contributions. Aside from a large collection of China's choicest pieces of products and arts, which will be on display at the Exposition by the Chinese merchants in their private capacity, they are assured of a special treat to their eyes of a wonderful and unprecedented set of superb art works of jade-carving: a Green Jade Pagoda, a pair of jade palace lamps and a jade rectangular arch—all carved out of one enormous piece of jade stone after ten years of patient and delicate labor by one hundred and fifty China's best known and most experienced jade-carving artists.



China's Art Wonders—The Green Jade Pagoda, two Palace Lamps and a "Pailou" or Rectangular Arch—for the Chicago Exposition.

As a wonderful exemplication of the jade-carvers' art in China, this miniature jade pagoda is unique, inimitable and unequalled in the history of jade-carving in the world. It is triply wonderful: first, for the unprecedented size and quality of the jade; secondly, for the grand and daring conception of its design and thirdly, for the unparalleled patience and superb excellence of the team work of the most experienced handicraft artisans in the whole of China.

In general contour, the jade pagoda is modelled after the Lunghwa pagoda of Shanghai and the North Pagoda of Soochow, but the proportions nad shapes of the component parts were improved as a result of an extensive study of the numerous types. The designer, Chang Wen-ti, a veteran jade artist from Soochow, travelled over a large part of China to secure architectural details of the various types of pagodas. From his observations and details, he succeeded in evolving a distinct pattern which is most artistic in shape and proportions. This pagoda is made up of seven stories, each being octagonal in shape and complete with doors, windows, balconies and bells suspended from the eaves of the curved slooping roofs, reminding of those of the Chinese palace buildings. Carefully, Mr. Chang evolved the lines and laid down specifications for the execution of this grand conception. He then handed his design over to the most renowned and expenienced of China's jade-carving arists, Li Hanchen of Peiping, under whose direction were assembled a corps of one hundred and fity carefully selected artists and artisans trained in the handicraft of jade carving. Ten years of the most exacting sort of work on the part of this army of jade-carvers were required to finish this wonderful production. The bells suspended from the eaves together with the chains on the roof were carved from the same piece of jade as the roof itself after infinite labor and care. By actual count, one and a half millions of hours of patient, unceasing and at times exceedingly delicate labor were spent upon this pagoda. This patient work was kept up for more than ten years and at last, in March, 1933, the original conception became a reality, the pride not only of the artist from whose brain the idea originally sprang forth, but also from each of the one hundred and fifty skilled artisans who put their best talents into its execution.

The pagoda stands fifty inches in height and is thirteen inches in diameter at its base. It weighs about seventy-five pounds. The ordinary spectator marvels at the size of this object of art, the exquisite green tints of the balconies, roofs and the spire, and the alluring sheen of the finished pagoda, but only a connoissuer in jade art can appreciate the perilous nature of the patient and exacting work of these ten years. Truly, it represents not only a bold conception but a brave adventure.

This particular piece of crude jade from which the pagoda was carved was of enormous size weighing about eighteen thousand pounds. It was obtained about eighteen years ago by two mining engineers, Li Pen-jen

(Continued on page 383)

The World Economic Conference and Possible Revival Of Sino-Japanese Dispute

(By the Review's Tokyo Correspondent)
(Translations from various Japanese publications)

THE coming World Economic Conference to be held in London has been the most popular material for articles in Japanese papers during April. This almost deafening clamor, which in ordinary times would have been given less than half the space and printed in a quieter way, betrays how sensitive the Japanese nation has grown to international events. This is not without reason. Just listen to the speech given by Nobuo Wada, chief of the Economic Department of the *Tokyo Asahi Shimbun*, on the topic of "How best can the national economy be saved?" In part he stated: "To sum up all these, the economic circles of the country are receiving attack from three sides: of communized economy, instability of gold and ill effect of tariff war. Beset by these uncanny elements the people are leading an uneasy life. Naturally, they have grown abnormally sensitive to any and every event of little significance which in other times might have attracted little attention." In reality people have tasted bitter experience in the phenomenal drop on the Tokyo Stock Exchange in February of this year, concerning which Dr. Masatake Ohta stated in his speech as follows: "Beginning with the month of January the Tokyo Stock Exchange shares, which are the clinical thermometer of Japan's business temperature, were quoted at Yen 230 level. But, soon they went down until on February 15 the Yen 150 level was reached, all other shares and markets following suit. Where does the real cause lie? The most important of all must undoubtedly be traced to the progress of delicate, complex international relations, with the Sino-Japanese trouble as its nucleus. You will probably remember that wires almost unintermittently from Geneva gave details of the frontal clash between Japan and the League of Nation about February 15, when the new shares of the Tokyo Stock Exchange dropped to the 150 yen level; black clouds were then being gathered over Jehol Province as a prelude to bloodshed." Dr. Ohta, adverting to the "stability" not of gold but of the state of mind of the people, added, "A New York telegram despatched on February 15 reported that the violent drop of all markets in Japan on February 15 was altogether unexpected by the financial circles of New York, and that it was considered unbelievable here that such a serious development would be the result of the unfavorable turn of the Sino-Japanese dispute." From a broader viewpoint the context of the telegram gave us an impression that people in America had seen through the bottom of the minds of the Japanese and made them the subject of their ridicule. When Geneva's atmosphere was growing more and more threatening and the so-called extraordinary time was being intensified, the people seemed to maintain an attitude of composure and docility. But if this strong, docile attitude of the people was only superficial and their lack of confidence in the country's politics, diplomacy and economy was betrayed by the fluctuations of the market, nothing would be more disappointing; indeed, quite pessimistic."

Let Us Not Get Ourselves Entangled in the Revived Manchurian Question

(Tokyo Asahi—Editorial, April 15)

It is quite opportune that Washington official circles, realizing the necessity of the rehabilitation of international economy, proposed to open the Washington pourparlers. We heartily agree with the Washington authorities. However, we are not without some apprehension as to the possible result of both the Washington and London conferences.

In a certan section of the world there lurk smouldering embers of the Manchurian issue which may blaze up again at the preliminary conference, although on the part of the President there is apparently no intention of studiously bringing up the question. It is safely presumed the Washington authorities are not unprepared for such an eventuality.

Putting off to some future date the discussions on the purely economic questions we must have a word or two with reference to the attitude of our country toward the Manchurian issue. In so far as the Manchurian trouble is concerned we understand the utmost efforts should be made on our part in expounding to America the just stand taken by the country. This is all quite proper, but this is as it were a byproduct of the envoy's mission to be fulfilled at the Japanese-American parleys. Should the Sino-Japanese question be formally made the subject of discussion at the Washington pourparlers the Imperial Government should decidedly condemn the impropriety. In our view negotiations between Japan and other Powers on the Manchurian question have been terminated since the former's notification to the League of Nations of her withdrawal on February 24.

Envoy's Greatest Task is to Remove American Suspicion

(Osaka Mainichi and Tokyo Nichi Nichi—Editorial, April 16)

Viscount Ishii's selection as Japan's chief delegate to the World Economic Conference must be called a happy one in that he is a man of broad diplomatic experience and high prestige.

We all unite to hope for a successful conclusion of the conference and in such case we trust the world's economic prosperity will thereby be ushered in.

Japan's position in Washington differs greatly from that of European Powers. For instance, the war debt question is rather of secondary importance to Japan, though its satisfactory solution is one important condition for economic revival. It is the peace and welfare of the Far East which concerns us most.

Though outwardly there is no ripple in the sea of Japanese-American friendship, yet to this day American opinions continue to attack Japan in the Manchurian question. The prolonged stay of the Atlantic fleet in the Pacific is an American domestic affair, but it betrays the American attitude toward Japan.

The first and the greatest task of our envoys at Washington will thus be to remove the suspicion and misunderstanding in the American minds. They must make it plain to the American people that the motive of Japan's efforts in Manchuria has been the defence of her own interests and the assurance of peace and prosperity there. If the American people understand this motive, show sympathy, and extend assistance to the new State of Manchuria, that will greatly promote friendship between America and Japan—which is the prerequisite of hearty economic cooperation.

If the United States acknowledges the justice of Japan's motive in the Far East and shows goodwill toward Manchukuo, that will serve as valuable initiative and the example will be followed by other nations. The salutary results to be thus obtained will exceed in importance, we dare to think, any international conference that may be convoked. We are not behind others in wishing for the prompt recovery of world business. Precisely because we do so wish, we think it necessary for our envoys to strive for better understanding on the part of the United States regarding the actual situation in the Orient.

What Envoys Say on the Eve of Their Departure

Viscount Ishii, member of the Privy Council and newly appointed chief delegate to the Washington pourparler:—

"The coming Washington pourparler is not a conference but personal meetings between the U. S. President and representatives of the Powers. In getting knee to knee with the President unreserved exchange of opinions will never fail to soften sentiment, leading to better understanding between us.

"I know President Roosevelt personally but had no chance to create intimate friendship. During my sojourn at Washington as Ambassador, the President filled the chair of Undersecretary of Navy. Before I had sufficient time to cultivate friendship with him I was transferred to my London post. As regards the attitude in which I attend the Washington parley and the subsequent London conference I can say nothing in advance.

"Each subject for discussion calling for serious attention and promising no easy solution, no small difficulties are felt in formulating a proper schedule on the part of the Government. I am afraid some questions may fail to be materialized by the time I leave the country and I may have to expect to receive them on board.

"Being quite a stranger in the domain of finance and economy, I am intent on acquiring knowledge in this direction. With reference to the anti-dumping duty of India and the growing rampancy of bringing oppression upon Japanese goods in oversea markets, these issues will be brought up for discussion at the conference. I am disinclined, however, to disclose whether or not Japan plans to voice her insistence concerning the boycott of Japanese goods in China at the conference. Nor am I sure whether or not the Manchurian trouble, which is now a question of the past, is made a subject at the Washington parley. The most important question of the hour Japan is brought to face to face with, is cooperation between China, Manchukuo and Japan, thereby to save the Far East from the present social and economic crisis. This is what people call the Far Eastern Monroe Doctrine, and is regarded as the essential factor for successfully disposing of Ear Eastern affairs and coping with the world situations. The sooner China realizes the necessity of such cooperation the more fortunate will be the three Far Eastern states. But, on the other hand, the longer China remains in the present state the more entangled will become her internal situation, and the world would be greatly affected. This is as clear as day.

"At the time of the conclusion of the Ishii-Lansing Agreement Japan's predominant position in the Far East was recognized in America. The Washington Conference annulled this agreement, but the spirit in which it was drawn up is still alive, deep in the recesses of the American minds.

"To eliminate barriers lying on the way to better understanding between the two nations of Japan and the United States through heart-to-heart talk with the President shall be the task of the good-will mission." (*Tokyo Asahi, April 22*)

Eigoro Fukai, Deputy Governor of the Bank of Japan and the financial adviser to the Japanese delegate to Washington:—"At Washington there will be an exchange of opinions primarily on the subjects of tariff and currency. It may not be possible for Japan to agree unconditionally with the suggestion that exchange control be removed together with high tariffs, which obstruct international trade. If it is difficult for nations to restore the gold standard, and unless some currency other than gold applicable throughout the world be found the only way to assure the stability of currency will be exchange control.

"Like Britain and Germany, Japan has had bitter experience in the shifting of capital from the country. Here, as elsewhere, exchange control is the only effective counter measure. In any event, it is not likely that efforts will be made to reach definite conclusions at Washington." (*Osaka Mainichi*, April 20).

Possibility of Ishii's Referring to Manchurian Question

(*Tokyo Nichi Nichi, April 16*)

According to reports coming to Washington from Japanese sources, Viscount Ishii plans submitting to the conference the Manchurian issue and other questions of a political nature. Although diplomatic committees of both Houses hesitate speculating about the possible Government attitude in the event of the Viscount's unfurling the question of Manchuria, they seem, nevertheless, to await with goodwill any and every proposition from the Japanese side.

Chairman of the House Foreign Affairs Committee Samuel D. McReynolds states in reference to the question in the following vein: "I am not aware of the limit within which the Government will take up the Manchurian question at the coming Washington pourparler, but it is true that the Roosevelt Cabinet harbors no grievance against the Government and people of Japan and is second to none in looking forward to bettering relations between the two countries.

Hamilton Fish, ranking Republican member of the committee, declared on the same subject, "I am absolutely unable to sympathize with America's showing unfriendly attitude against Japan concerning the Manchurian trouble. Naturally, I am opposed to the unwise policy of America's studiously attempting to be involved in the Manchurian question either through bringing oppression to bear upon Japan or resorting to threatening measures to sweep away her influence from the district. It is up to the Roosevelt Administration to regain Japanese-American friendship which has been marred through wrong Hoover-Stimson diplomacy. In this sense I am only too glad to cooperate with the new Administration."

China Schemes Reviving Manchurian Question

(*Tokyo Asahi, April 17*)

According to a Shanghai dispatch people there are very much concerned with whether China will maneuver at the coming Washington parley to develop the economic problems into political and diplomatic questions in the East. In view of the economic nature of the conference it is unthinkable that China will take up the question at the outset, but it is probable the Chinese envoy will insist that the difficulties felt by her in the redemption of foreign debts and their interests are chiefly due to Japan's invasion into Manchuria, and call the Powers' attention to the necessity of assuming stronger attitude against Japan.

China will stick throughout the parley to the Manchurian question and hold it responsible for all ill consequences in the same way as this was resorted to in Geneva by her delegates.

American Mind Centering Around the Conference

(*By Chigyo Ishihama—Serupan, Nov. number*)

Conferences of international significance have been frequently held but without the participation of the United States. She did not go beyond sending observers at such meetings, and this is all because of established policy not to interfere in European affairs and of her apprehension lest the war debt question should be linked with the reparation issue.

With the coming economic conference, however, this is not the the case; America's courageous endeavor not to lag behind others in solving a pile of world economic cancers characterizes the present one.

According to a telegram from Washington recently Secretary of State Hull declared before a group of news reporters on the Washington pourparler to the following effect, "The mission of the coming economic conference lies in that it drives home in the minds of all nations the fact that their economic situations have had a drastic change for the worse and that the only effective way for tiding over the existing economic crisis lies in none other than abandoning the practice of the unrestrained nationalism revealed in the attempt of the nations' envying each other in pushing their own merchandise while checking importation. In execution of this ideal it is up to the nations to realize that the present narrow-minded economic nationalism is suicidal and then advance to pull down trade barriers, and establishing a limitless currency exchange system. The revival of international trade will mean a boon to the farming populace not only of the United States alone but of the world at large. Millions of jobless in America will be saved in consequence."

Upon hearing the speech of Secretary Hull what struck me most is the striking inconsistency between the declaration of Hull and traditional high tariff policy of the country. That she put into effect a high-tariff system against the strong protest raised by scores of countries is because most of the home product could be disposed of in the home market, only 10 per cent. of the total production being exported abroad, and also because she had monopolistic enterprises. If such is the course she has hitherto followed and conditions existed in the country, what has driven the United States to resort so abruptly to quite a reversed policy of pulling down the tariff fortress? This is because the home market has at last come to lose consumption efficiency due to lack of purchasing power and America's monopolistic industries have abated their international significance in consequence of advanced technique in countries abroad of late years. In other words, with the ever-dwindling consumption and colossal power of production the country of America has at last realized the necessity of cultivating foreign markets for her manufactures. Another reason for America's coming to the fore with this insistence can be traced to her underlying motive to help others discharge obligations by means of improved trade, for otherwise the recovery of her foreign loans may be hopeless. This is more than a mere speculation, for in one of his speeches delivered in the election campaign President Roosevelt mentioned, "If trade revives the war debt question will disappear of itself."

SUMMER HOURS

As from 1st May 1933 the following hours will be observed:

HEAD OFFICE: 95, Nanking Road.
8.30 a.m. to 12 noon.
2.00 p.m. to 4.30 p.m.
Saturday: 8.30 a.m. to 12 noon.

HEAD OFFICE COLLECTING DEPOT & SHOWROOM:
95, Nanking Road.
8.00 a.m. to 5.00 p.m.
(NO CLOSING INTERVAL)
Saturday: 8.00 a.m. to 12.30 p.m.

BRANCH COLLECTING DEPOTS & SHOWROOMS:
772, Bubbling Well Road.
107, Boone Road.
424, Chekiang Road.
440, Broadway East.

8.00 a.m. to 12 noon.
1.30 p.m. to 4.30 p.m.
Saturday: 8.00 a.m. to 12 noon.

Shanghai Power Company

Head Office: 95 NANKING ROAD :: TELEPHONE 11010

Peiping Schools May Move Southward

It is reported from Peiping that in view of the critical situation in North China, preparations are now being made by the various educational institutions in Peiping for their removal to the South in the near future. As a first step the schools which have laboratories, museums and libraries are to remove their books and various specimens to the south. The removal of the libraries of the Peking National University and the Peiping University has already begun.

The coffin once used for the remains of the late Dr. Sun Yat-sen will be transported from Peiping to Nanking with more than 40 cases of treasures of the Historical Museum shortly.

Peiping Institutions Send Records South

In addition to the Peking National University other universities and cultural institutions in Peiping have received orders from the Ministry of Education in Nanking to send their valuable books and scientific apparatus to the south for safekeeping. These include the Peiping National University, which ineludes half a dozen colleges in Peiping and Tientsin, the National Normal University and the department of history and philology of the Central Research Academy with its headquarters at Peihai.

The fourth batch of the Peiping Palace treasures are arrived from Nanking during the week.

Canton Students Resume Studies

The students at the Sun Yat-sen University at Canton, April 27, decided to resume classes forthwith except for a handful who are described as professional strikers, the *Central Press* states. The students at the same time issued a statement declaring that all loyal students should support the president, Chow Lu, and should pledge themselves to use all possible efforts to drive out the Communists and trouble-makers.

The Shanghai Student Union April 27 addressed a petition to the Government urging that diplomatic relations with Japan should be severed immediately and that an order should be issued immediately calling for a national mobilization to fight against the Japanese.

Medical students of the Peiping National University made a pilgrimage to Kwanganmenwai April 30 to offer sacrifices to the spirits of those whose bodies were examined by the department of pathology of the college after their death, and who are buried in a special cemetery erected by the school.

Students at Peiping Go on Rampage

The student agitation against the proctor of the Peiping Normal School, Keng Lun-shen, culminated in the arrest of 12 ringleaders by the police followed by the expulsion of 17 others. School work is now proceeding as usual. According to the proctor, the recalictrant students had locked the gates of the school, imprisoned him in his office and demanded that he leave the school immediately.

May Day Celebrations Are Generally Peaceful

The May Day celebrations throughout the world passed off quietly, on the whole. The principal celebrations were in Russia and Germany. In Moscow the usual parade took place in Red Square and similar celebrations were held in all the other Russian cities. The Soviet capital was a city of festive gaiety. The streets and squares were hung with appropriate slogans, flags and an immense number of charts and diagrams showing the industrial progress of the country. In Germany the day was made use of principally to spread Nazi propaganda, Herr Hitler making fervid speeches, which were widely broadcasted.

In Shanghai, both in the Foreign and Chinese areas, the police were kept in readiness for any disturbance, but nothing of a really untoward nature occurred. The principal incident was in Thorburn road where, during the forenoon, a crowd of Chinese assembled shouting slogans and throwing pamphlets in the air. The crowd melted before a police charge. The Soviet Consulate in Whangpoo Road was patrolled by extra police. An association known as the People's Self Association to Resist Insult had been preparing to stage a demonstration on May 1, but their demonstration was foiled by the closeness of police supervision. Altogether 59 suspected "Communists" were arrested, among them a 12-year-old Cantonese girl and 12 girl students.

Labor Day also passed off quietly at Nanking.

In Japan, the day passed off generally quietly. The outstanding incident occurred at Osaka, where a noisy procession, which started at Nakanoshima Park, collided with the police. Over a hundred were taken into custody. The others were dispersed.

Blind Leaders of the Blind

BY HARRY PAXTON HOWARD

STATEMENTS by Dr. Inazo Nitobe and other notorious propagandists of Japanese imperialism, given publicity recently, lead one to question whether the misrepresentation and falsehood indulged in by them may not have some unfavorable and unexpected results. As one example may be considered the influence on the ordinary people of Japan of statements to the effect that feeling towards Japan abroad, even in America, is rather sympathetic than otherwise. Such reports, however necessary for these Japanese propagandists in order to show they have been earning their money, create popular impressions which are bound to be rudely shattered as the other nations of the world, whether through League of Nations resolutions, American Department of State declarations, or Moscow official editorials, affirm their utter refusal to recognize as either legal or permanent any of Japan's gains made in contravention of existing conventions and treaties among the nations.

That the common people of Japan should be misled by this propaganda, combined with a thorough censorship and control of the news which reaches them, may be understood. But in considering the future, one wonders whether the propagandists themselves are not grievously misled in thinking they can gain anything permanent by creating such utter misapprehension of the actual state of world opinion. In the face of statements that the world is increasingly recognizing the justice of Japanese claims, the facts of thoroughgoing condemnation by foreign nations must foster among the Japanese people either utter distrust of official statements, or a spirit of bitter hostility against the rest of the world. And even the blindest of the blind leaders of Japan should know that Japan cannot fight the world.

Nitobe Enlightening the World

Inazo Nitobe, superficially one of the cleverest of these propagandist leaders, is a case in point. After spending some eleven months touring America in behalf of Japanese imperialism, he returned to explain to his fellow-countrymen that the attitude of Americans was improving. His "guiding principle," he explained in an address at Osaka, was "presenting facts as they are.... in the spirit of persons enlightening the world." The necessity of Japanese propagandists to enlighten the world, and specifically America, will come as a new thought to many, but Nitobe presented it in all seriousness.

Several points about Nitobe's tour of America, and the conclusions which he says he came to therefrom, stand out as of special interest. Nitobe, undoubtedly, is an excellent propagandist, using "liberal" and "pacifist" phrases in defence of Japanese absolutism and militarism, and of Japan's aggressions in China. He has professed himself a Christian and a Quaker, but at the same time his greatest claim to "fame" is his invention of "Bushido," a wholly imaginary code supposed to govern Japan's military swashbucklers, more than thirty years ago. The word itself appeared in no dictionary, Japanese or foreign, prior to 1900. It was early in the present century that the "Bushido" code was invented, being, as the wholly reliable Professor Chamberlain states, "fabricated out of whole cloth, chiefly for foreign consumption." And dictionaries today refer to Nitobe's book as their first authority for the word.

Nitobe the "Pacifist"

Nitobe, however, denies being a militarist and chauvinist. Though there may be such people in Japan, he declares himself not one of them. He is a Christian, a liberal, and a pacifist. It is in this capacity that he has defended every one of Japan's wars against her neighbors during the past thirty years, every aggression on foreign territory by Japanese armed forces. It is in this capacity that he has been an active figure in the Japan Peace Society and other similar associations, maintaining friendly relations with well-meaning "liberal pacifists" in the West in order to utilize the latter for propaganda purposes whenever Japan decides to expand further at the expense of its neighbors. There are, of course, genuine liberals and pacifists in Japan, and true democrats like the late Doctor Yoshino, but it is not customary for such people to be received by the Emperor as Nitobe has been, and most of them would not consider it an honor to be associated with Nitobe.

The prelude to Nitobe's departure for America last year brought him much advance publicity. A little while before leaving he made a public statement, calculated to sound most pleasing to certain kindly old people in America, declaring that the militarists and Communists were menacing Japan. Following this he retired to a hospital, where several Japanese military men called on him and demanded an apology, following which the sick man, following Biblical precedent, rose, took up his stick, and walked, going to the militarists' club and apologizing.

Nitobe's American Tour

The news of this, of course, was duly telegraphed abroad, and made good advance advertising for his projected tour. A number of naive individuals in America felt warm sympathy for this "unfortunate victim" of Japanese military chauvinism, and received him with open arms. Some, it appears, actually believed that Nitobe faced danger in returning to Japan after his propaganda tour, though it is to be hoped that the recent news of his reception by the Emperor and high officials have now put these apprehensions at rest.

Nitobe's tour of America was devoted to propaganda and apology for Japanese occupation of Chinese territory. There was, however, a marked change in emphasis in the course of the tour. At the beginning, he actually tried to convince audiences that Japan's invasion of China was really a measure of self-defence, and it was only as it became clear that this failed to carry conviction that he turned to the "Russian menace" as Japan's real foe, and explained that Japan's action was taken under stress of defending the Orient—and specifically China—from the Communism which threatened to engulf the East.

It was in the small meetings, with students, scholars, and public men, that Nitobe had most trouble answering questions. The big public meetings went off more smoothly, with few questions which the lecturer could not answer, though even so the amount of conviction carried seems questionable. Interspersed with his justification of Japanese aggression, Nitobe indulged in diatribes expressing the utmost contempt for Chang Hsueh-liang and for Chinese leaders in general. Justification of Japan vilification of Chinese leaders and—later—stressing of the Communist menace," were indeed the main themes, though when faced with troublesome questions about undeniable excesses and usurpations of power by the Japanese military, Nitobe was capable of deprecating these, and when there was no other way out explaining that Nitobe and his "fellow-liberals" were struggling against them.

Reports to the Emperor

After his return from his propaganda tour in America, Nitobe was received by the Japanese Emperor personally, in the latter's study, for a report on his trip. Nitobe's statement, *Rengo* says, lasted for over an hour, and the Minister for the Imperial Household, Admiral Suzuki (Grand Chamberlain), General Nara (Imperial Aide-de-Camp), and some others were permitted to attend.

A sufficiently naive person might be very much impressed by the generous hearing accorded this "liberal" and "pacifist" by his Emperor, and by the most powerful men surrounding the Emperor. It is rare indeed that a Japanese pacifist is accorded such honor, and some men might wonder if the Emperor and his bureaucrats are being converted to Quakerism and will henceforth renounce the path of the sword, accept the Lytton Report, and devote themselves whole-heartedly to the tasks of peace and amity among men.

No one of intelligence, of course, anticipates anything of the kind. Nitobe had simply been touring America (even as he recently wrote a most chauvinistic book on Japan in the "Modern World Series") in behalf of Japanese imperialism. On his return he made a report to his Emperor, sacred fountain-head of all authority in Japan. It would be interesting to have a verbatim report (which, of course, we never shall) of Nitobe's remarks. One can only imagine what he said in this interview, and how much amusement was aroused by his description of the sympathy his "liberalism" evoked in naive America, and how even some simple-minded Chinese had referred to Nitobe as "the best that modern Japan has produced."

Public Statements Optimistic

Whatever his report to the Emperor, Nitobe's declarations at public meetings in Japan, and to the Japanese press, contain some very interesting statements. In an address reported in the *Osaka Mainichi* April 19, he

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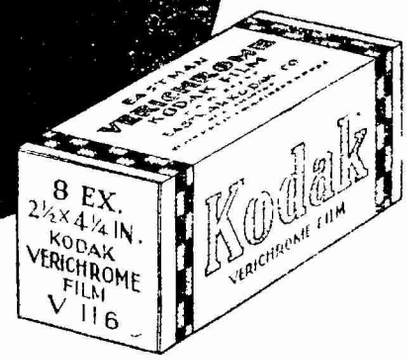

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sets forth different factors which have "aggravated American sentiment toward Japan." Among other things, "the Americans have more in common with the Chinese than with the Japanese in racial characteristics," which may be put down as a new discovery in anthropology. Furthermore, "both the Americans and the Chinese are far more naive and frank than the Japanese—almost bordering on discourtesy. This automatically makes the Americans lean more toward the Chinese than the Japanese." From the American viewpoint, this point seems rather unfavorable to the Japanese, though it was of course the American *naivete* which inspired Nitobe with the hope that the simple-minded Americanos might believe him.

One trouble is with the missionaries: "There are some 4,000 American missionaries in China, many of whom go home every year on furlough and make irresponsible utterances on China and on Japan's dealings with China....America has more peace-at-any-price missionaries than any other country. They possess neither the intelligence nor the vision to see things as they are. Consequently what they say in public, though not worth listening to, is swallowed by the ignorant."

But there are other difficult elements: "One quarter of the total population (of the United States) depends on Government charity. These people shudder at the mere mention of hostilities." And also: "Men in educational circles, jurists, and students of international law, are mostly stickers for legal technicalities. They brand Japan a violator of the League Covenant, the Nine-Power Pact, and the Kellogg Treaty," by which of course the Japanese are too lofty-minded to be bound in any way.

Stimson's "Pettifoggery"

"Needless utterances made by Colonel Henry L. Stimson, former Secretary of State," declared Doctor Nitobe, who had an hour's talk with him, "did much damage to the Japanese-American relations.... Although Stimson is a likable sort of chap, his reasoning impressed the Doctor as scarcely more than pettifoggery."

But in spite of these adverse elements, and the point that "the Americans are far less unbiased than other nations," Nitobe found many ready to "listen to reason." In an interview given the *Japan Advertiser* he made it clear that most sensible Americans were favorable to Japan, or quite ready to accept Japanese explanations, while the elements favoring the Chinese were mostly "elderly women with a sentimental attachment for China, and extreme pacifists." This does not, indeed, seem wholly consistent with some of the statements in the *Mainichi*,—but when were great minds ever bound by anything so commonplace as consistency? The scholar who could avow pacifism and Quakerism and invent a military swashbucklers' code at the same time, as well as ardently defending every foreign war of Japan, is apparently in a class by himself.

It should be added, however, that Nitobe is not altogether disillusioned as to the missionaries. "The attitude of American missionaries has undergone a radical change of late. Where they formerly sought blindly to preach the gospel, unmindful of other people's culture, they now make it plain that they are over here to exchange their culture for that of others. Are they not the very medium for bringing about better relations?" In this, perhaps, we find the explanation of Dr. Nitobe's Christianity.

Japanese Reports in America

One manner in which ill-considered Japanese propaganda is having deleterious effects is among Japanese residents in America. Reports sent out from Japan to Japanese papers in the United States picture great tension between Japan and America, to a degree giving rise to alarm which seems rather unjustified. The object of these reports, evidently, is to remind the Japanese in America that they are still Japanese, and to keep up their national feeling as against Americans.

Publicly at least, intelligent men like Matsuoka deprecate this, and in speeches to Japanese in America the envoy has advised them to be "good Americans." However much sincerity there may be in this advice, it is at least sensible. The propaganda reports sent out from Japan to Japanese papers in America, however, appear to be of quite a different nature, and Japanese residents in America find them not inspiring, but very disturbing. So do the propagandists over-reach themselves, and the blind leaders of the blind, in Japan and abroad, spread misapprehension and ultimate disillusion among their own people.

The Manchu-Mongolian Association

(From the Review's Correspondent at Changchun)

THE Government of Manchukuo soon after it was set up declared that the political system of the new state is to be based on strict democratic principles, giving equal rights and opportunities, in all respects, to all the races inhabiting the vast territory of Manchukuo. To enable the Manchus and the Mongols to avail themselves all the more of the rights granted by the new government to them, a Manchu-Mongolian Association was organized at Harbin about a year ago by a group of persons claiming themselves to be Manchus, although hardly any of them speaks the Manchu language. At the present time there are thirty odd members of the Association. Their activities ever since the opening of the Association have been confined to obtaining funds. They intend in the near future to open at Harbin a seminary at which they propose to teach their members the Manchu language and then send them to places in the interior of the country to open branches of the Association there. The chief task of these workers will be to enlighten Manchus wherever they discover them as to their great historical past, to explain to them that once they were a conqueror race, and to teach them the Manchu language. This is a hard, and thankless task, and may be impossible. The Manchus have been wholly assimilated by the Chinese, so that the Manchu language is hardly spoken any where in Manchuria. The few descendants of the Manchus must themselves be ignorant of their origin; they think themselves to be Chinese. Thus, the self-imposed task of the members of the Association consists in persuading these Chinese people that they are actually not Chinese but Manchus, by inducing them to stop speaking Chinese, and instead teaching them the Manchu language. After getting a greater number of members and more funds they plan to open special schools for the children of Manchus to be educated with a view to enabling them to occupy in the course of time, higher positions in the governmental institutions of Manchukuo.

The Foreign Import Trade in Manchuria

The commencement of foreign trade in Manchuria can be dated from 1858, when the Anglo-Chinese treaty of Tientsin was concluded. But due to the remoteness of Manchuria from the big commerical and industrial centers of the world, absence at that time of railways in the country, and due to its being sparsely settled, the foreign trade at the time prior to the construction of the Chinese Eastern Railway, the first-built railway in Manchuria, developed at a very slow pace. But with the opening to traffic of the C.E.R. and with the influx of immigrants from Russia and China Proper that started immediately after the completion of this railway, foreign traders of different nationalities began to come to and establish themselves in Manchuria, which gave rise to a number of trade centers in this country. In addition to Newchwang which was by virtue of the above-mentioned treaty opened as a treaty trade port, Antung, Dairen, Tatungkou in Liaoning Province, and Manchuli and Aigun in Heilungkiang Province, were opened to trade in 1907; and later, in course of 1908-1910, Harbin, Seifenho, Hunchung, and Hunchingtsung became centers open to trade activities of foreign merchants.

Because of the geographical proximity and because of their political influence in Manchuria—Japan and Russia, though commercially and industrially backward countries, as compared to those of America and Europe, have occupied predominant positions in the Manchurian import trade. The market of South Manchuria has been wholly monopolized and controlled by Japan, while North Manchuria was up to the beginning of 1932 dominated, in economic respects, by Russia. But, since the beginning of the the current year the Russians as well as other foreigners, being under the conditions brought about by the military and the economic descent of Japan on Manchuria, have been rapidly losing ground, so that at the present time about 90% of the import trade has got into the hands of the Japanese, whose manufactured goods of all descriptions are poured in ever-increasing lots into the country. According to the Commercial Information Bureau of Harbin, the month of January of this year gave 88% increase in the quantity of goods imported into South Manchuria as against the imports for the corresponding month of last year; the increase falling chiefly on such items as flour, iron and steel wares, gunny sacks, and paper. During January last 63,445 tons of cargo were shipped into South Manchuria. According to the Chinese Commercial Association of Harbin the same enlivening tendency is noticed in north Manchuria; big lots of goods of Japanese make are shipped daily into the interior of Manchuria.

The Japanese goods sold on the Manchurian Market are much cheaper than those imported from any other country, because the cost of production, due to the cheapness of labor, is low in Japan, the transportation expenses, due to the geographical proximity of Japan to Manchuria, are small; the yen is now low in value, at present it is at par with the local new dollar called "kuo-bi," new currency unit of Manchukuo. The dictum that a country strengthens its position in the commercial competitve field by keeping the value of its currency at a low level on the Money Exchange has so far worked well with Japan in her commercial activities in Manchuria.

Besides fair methods of competition, the Japanese employ also their military force to dislocate the Russian trade in Manchuria. A couple of days ago the Japanese-instructed police of Manchukuo at Manchuli, the western terminus of the Chinese Eastern Railway, where the latter railway links up with the Russian-Siberian railway, took the keys by force from the station master and locked the switches and placed policemen to guard the junction lines to make certain that no through freight traffic, as it hitherto had been, should go through. They removed the guards and returned the keys only after a strong protest on the part of the Russian consul to Harbin. Since the time of the Japanese invasion of Manchuria the Eastern section of the C. E. R. has been disabled to the extent that no traffc whatever has been possible. The zone about the railway line throughout its length has been infested by hunghutze, or the Chinese outlaws, who, disrupting the line, attack both passenger and freight trains, hold them up and then rob the passengers and the crew, take some of them to their camps, and then demand ransoms, toturing their victims and threatening to kill them if the money is not forthcoming. Besides causing agreat loss to the Railway by breaking the line and derailing the trains, they cause loss to it by making traffic impossible; and not only to the C. E. R., but also to the Russian Ussuri Railway, which in peaceful times takes over cargoes from the C.E.R. for further transportation to the Russian port of Vladivostok. The Japanese are unwilling to employ their military force to clear the railway region of the hunghutze; for the line being thus incapacitated, all the cargo to be exported out of Manchuria can be shipped only by the Japanese South Manchurian Railway to the Japanese port of Dairen, which state of things is, of course, greatly profitable to the Japanese South Manchurian Railway Company and other Japanese carriers.

Russians Now Concentrate on China Market

After the resumption of diplomatic relations with China the Russians do not seem to care so much for the Manchurian market as they did before; for they apparently hope to export large lots of goods to China.

Since the outbreak of the Sino-Japanese conflict and the Japanese invasion of Manchuria there has been no import of goods from China Proper into Manchuria. But prior to the conflict quite a lot of cotton and silk piece goods, toys, paper glass ware, etc., were imported. According to the Harbin Commerical Information Bureau, in 1929, goods of Chinese-make to the value of Gold $61,300,000 were disposed of in the Manchurian market. Taking into consideration that the whole of the export trade of China for the same year, according to the said Bureau, was estimated at G.$160,000,000, one can readily see that Manchuria was a very important factor in the trade of China. Now Japanese-manufactured goods have been placed on the Manchurian market instead of the Chinese.

The United States import into Manchuria has not been maintained at a steady level, which may be primarily accounted for by the high cost of transportation, the distance between the countries being great, and by the high rate of exchange of the American for the Manchurian Dollar. According to the above-mentioned Bureau, the Manchurian import trade of the United State reached its culminating point in 1929, when the total import for the year amounted to G.$16,493,900. In 1930 the import fell to G.$9,484,300; showing a still sharper decline, it amounted only to G.$4,292,100 in 1931.

The present conditions of the Manchurian market as they stand now and tend to develop in connection with the events taking place in this country are not favorable for development of U.S. import trade in Manchuria.

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End of Spring Term .. ..Friday, June 9, 1933
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End of Summer Term .. ..Friday, July 28, 1933
Opening of Autumn Term .. ..Monday, October 2, 1933
End of Autumn Term .. ..Friday, December 15, 1933
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Almost all European countries take part in supplying Manchuria with manufactured articles. The following figures culled from the Harbin Commercial Information Bureau show the value of goods imported into Manchuria by different countries during the past five years; in American Dollars:

Years:	1927	1928	1929	1930	1931
England	3,296,400	4,789,800	6,189,300	4,822,700	1,487,900
Germany	3,773,600	6,045,500	5,461,900	5,580,100	1,660,500
United States	11,665,400	13,935,400	16,493,900	9,484,300	4,292,000
British India	591,200	2,109,700	1,205,700	565,800	2,040,600
Hongkong	7,149,000	7,773,700	8,789,600	5,902,300	2,904,300
Holland, Others France, Italy	19,775,200	29,473,800	20,188,600	13,321,000	10,649,400
Japan	68,421,600	77,612,100	80,970,500	50,602,800	29,671,500
Korea.	4,271,900	5,061,900	4,914,600	2,938,200	2,311,000
Total	118,864,300	146,811,400	144,214,100	93,217,000	55,017,000

Anti-British Movement in Japan

Anti-British agitation in Japan, ascribed to the Indian group in the Island Empire headed by Rash Bihari Bose, took the form of posters prominently displayed in Tokyo on May 1. The posters denounced Britain for its allegedly perfidious treatment of its old ally Japan, charged Britain with ingratitude towards Japan despite Japan's fidelity to the Anglo-Japanese Alliance during the Great War, accused Britain of having compelled Japan to accept an inadequate naval ratio at the Washington Conference and of fostering anti-Japanese sentiment at Geneva, etc. A demand for the emancipation of India from British rule, calling on "The 400,000,000 people of China and the 300,000,000 people of India to drive British influence west of Suez," was also made.

The point which the Indian agitators in Japan are making is that the abrogation of the commercial treaty with India is not made with the object of aiding the Indian cotton industry, but that of Lancashire.

The Japan-India commercial treaty abrogation issue, which has been the object of hot discussion in official as well as business circles in Japan, took a new turn when Tsuneo Matsudaira, Japanese Ambassador to Great Britain, suggested to the Board of Trade President in London April 25 the desirability of convening an Anglo-Japanese conference for the solution not only of the Japan-India trade question, but the whole question of trade relations between Japan and Great Britain and her Dominions.

Mr. Snow, British Charge d'Affaires, called on Mr. Arita, Vice Minister for Foreign Affairs in Tokyo April 26, and informed the latter that the British Government feels that the question concerning the Japan-India Commercial Treaty should rightly be discussed between the Japanese Government and the Indian Government Office. The negotiations concerning future measures on abrogation of the Japan-India Commercial Treaty will take place simultaneously in London, Tokyo and Simla.

Japanese Suggest Retaliatory Tariff

The Association of Traders in Tokyo recently adopted a resolution declaring that a retaliatory tariff should be imposed on Indian goods unless the Government of India reconsiders its attitude towards Japanese merchandise; also that cotton-growing in Korea and Manchuria should be encouraged for securing "self-supply" of raw cotton.

As a reply to Indian restrictions, the Japanese Federation of Cotton Spinners' Associations has decided to import raw cotton from the Belgian Congo and also to send a trade mission to South America to extend the market for Japanese cotton goods.

Mr. Ariyoshi, Minister to China, in a recent interview said that it was most desirable that the conditions in China should quickly improve, for the threatened boycott of Japanese goods by India makes Japan's recovery of the Chinese market very urgent. Mr. Ariyoshi said that he will do his best to correct China's present attitude towards Manchukuo.

A recent *Reuter* message from Tokyo pointed out that the high tariff wall which is now expected to be raised against the entry of Japanese goods into India will, to a large extent, deprive Japan of one of its most important markets, and, at the same time, will serve to increase the bitterness of Japanese nationalists, who complain that not only Japanese immigrants but Japanese goods, too, are now being debarred from entry into other countries.

Serious agitation is developing in Britain against the importation of Japanese silk, silk textiles, and rayon goods, pending passage of a bill raising the import duties on these goods.

The Real Mission of Ambassador Bogomoloff to China

BY C. Y. W. MENG (孟長沐)

THE arrival of M. Bogomoloff, the first Russian ambassador to China under the Nationalist regime, not only gives rise to many hopeful signs in opening a new era of friendship and cooperation in the relations between China and Russia, but also creates a situation which should have a far reaching effect upon the general situation in the Far East and the future of the two countries concerned.

China and Russia, with a boundary coterminous for over four thousand miles, from the Pamirs in Turkestan to Vladivostok on the Sea of Japan, were brought into contact with each other by the Mongolian conquest of the thirteen century. The first treaty China ever signed with a foreign power was the Treaty of Nertchinsk with Russia in 1664. Russia was the first country which voluntarily relinquished all her special rights in China —a gesture which made a very good impression and created a friendly feeling among the Chinese.

But unfortunately, in recent years, Sino-Russian relations have not been in concord, having been broken off more than once in a few years. Apparently this was due to short-sightedness and faults on both sides. After having won the friendly feelings of the Chinese, the Russians should do more to cement friendly relations between the two countries. Russia should not attempt to disseminate the communist propaganda in China by abusing the privileges which are accorded to her diplomatic officials.

China should realize that she is a weak country, but has two strong powers on her border whose ambition to exploit China politically and economically in the past should be vividly in her mind. In such circumstances, China should take steps to save herself, such as: Prevent these two big powers from coming into some understanding about China; make friends with the one more friendly to China, so as to restrain the one less friendly to China; and, if possible, to enter into some agreement or understanding with the more friendly one, such as a non-aggression pact, a defensive alliance, etc., for mutual protection and assistance. These steps are necessary in view the fact that China could not meet the aggressor by military force. China has to resort to diplomacy to save herself. China should never adopt a policy of isolation.

Joining hands with Russia does not mean that China is to go "red." Joining hands with Russia should have the effect not only of restraining the aggressor but also to impress on the other powers that if they do not yield to China's legitimate aspirations, China might go "red" and do what the Soviets did by abrogating the "Unequal Treaties" by proclamation.

China's policy in the past may well be characterized as "to make friends with none but to make enemies with all neighbors," probably still believing the old philosophy that China is a "Middle Kingdom" to which all are tributary states, and that all of them should come to China for help, not China asking them for help. As a result, China isolates herself, and in the event of a crisis, no one will come to her rescue. If China adopts such a policy of "isolation," it gives a good chance to the aggressor to play off between China and the other power, or to take advantage of the situation to make trouble with China.

China and Russia Facing the Same Problem

The situation which is being created by the forcible occupation of Manchuria by the Japanese has become not only a Chinese problem, but also a Russian problem; it is really a problem of great concern to both; and really a menace to both. The seriousness of the present situation in Manchuria can easily be seen by the fact that the present Sino-Japanese crisis has already developed into a Sino-Japanese-Russian crisis—in view of the fact that the aggressor has already come into dispute with the Russians over the administration of the Chinese Eastern Railway—a problem which resulted in a Sino-Russian war in 1929!

The Japanese diplomacy in the Far East in the past has been to deal with China and Russia separately at different times: To challenge China first; and after defeating China, to challenge Russia next. This is exactly what Japan did in 1895 and 1905. Japan may employ the same diplomacy to meet China and Russia at different times. Moscow should realize that after settling down in Manchuria the "dwarf" is sure to say to Russia, "Get out." It may be too late for Moscow to take any action then!

In other words, we are really facing the same problem. We are engaged ourselves in our internal revolutions of tearing down old traditional institutions which have been existing for thousands of years and replacing them with absolutely new ones which the world has never seen before.

The necessities of the present situation demand that Russia should no longer keep silent on the plea that, owing to the non-completion of her Second Five Year Industrial Plan, she is not willing to be involved in the present Sino-Japanese crisis, for, as pointed out above, the end of the Sino-Japanese crisis means the beginning of the Russo-Japanese crisis, and in that event, the newly completed Five Year Industrial Plan will be spoiled at any rate. Hence Russia is advised to think more carefully and to take action now.

Li-Lobanov Convention of 1896 Recalled

The proposal for a Sino-Russian joining of hands to protect each other is not a new thing. After being ignominously defeated by Japan in 1895, the idea of a defensive alliance against Japan became popular in China. Li Hung-chang (李鴻章), Chang Chih-tung (張之洞), etc., generally looked upon as veteran diplomats of the time, were willing to pay any price for such an alliance.

In a memorial submitted to the Throne, strongly advocating the joining of hands with Russia to oppose Japan, Liu Sin-I (劉坤一), had the following to say:

> "Since the Sino-Franco War in 1884, due to mishandling of the situation by the Chinese, China had been looked upon by the other powers with utmost contempt. Since the conclusion of the Treaty with Japan (meaning the Treaty of Shimonoseki) the foreign powers have become more aggressive than ever before for the invasion of China. In view the fact that it is not possible for us to oppose the enemy, we should join with other powers with a view to seeking assistance in the time of need.
>
> "In my opinion, the menace from other powers is not so urgent as that from Japan. It is due to her nearness to us. Once Japan is in the occupation of Formosa and Liaotung, the Japanese invasion of China is made easier. But the Japanese menace along the sea coast is not so urgent as that in the Three Eastern Provinces (Manchuria), for they know that these provinces are important to us, they want to have them so that they can threaten us.
>
> "But Russia is not willing to see a strong Japan. When Japan is making trouble in our Eastern Provinces (Manchuria), Russia is looking on with jealous eyes. So when Liaotung was ceded to Japan, Russia, Germany France, jointly *forced Japan to return it to us, not solely for our interest*; but also for their own interest. Hence, we should take advantage of the situation to join with Russia and to seek for its assistance. If we could afford to give Russia some facilities, Russia would be too glad to help us. Though Russia might not be able to give us protection to our coastal provinces, the Russian assistance would at least prevent the ambition of the 'Dwarf'; in the Eastern Provinces to some extent. If these Eastern Provinces are once lost, how can our Dynasty be preserved?"

The memorial then went on to point out that Russia is a big country and that she needs no more territory from China; and that Russia has been a "friend" of China for centuries; and that there had been no warfare between China and Russia, this being regarded as something rather rare in history. The return of Ili to China by Russia and the Russian participation with France and Germany to force Japan to return to China the Liaotung Peninsula are considered by Liu Sing-I as concrete proof of Russian friendliness to China. "If we do not join with those who are friendly to us, we would be isolated," said the memorial. The same memorial pointed out that the Throne should instruct the Chungli Yamen and the Chinese envoy to Russia that in dealing with Russia, China should yield to her wishes, and in the event of differences of opinions, the Chinese should do whatever they could to prevent a breaking-off of friendly relations. "If the Sino-Russia relationship is cemented, Japan as well as other powers would not dare to look at China with contempt," concluded the memorial.

In another memorial submitted to the Throne, Chang Chih-tung had the following to say:

> "The only way to meet the present emergency is secretly to make agreement with, and to seek assistance from, a strong power. The situation is already critical enough. If in ordinary times, China has made secret agreement with some power, in the time of war China could get some assistance and the military supplies from the allied power If China makes no secret agreement beforehand, in the time of war said power is only an on-looker.
>
> "If we want to make secret alliance, Russia is the best one to whom we should turn. It is because Great Britain is now thinking of commercial interests in China; France is now deceiving the Chinese by means of religion; Germany is now refusing to deal with us; America is now unwilling to interfere with the affairs of others; we could not approach any of them."

The memorial went on to point out the friendly relations between China and Russia which have been existing for centuries, which is similar in tone to that of Liu Sing-I's memorial.

The "Battle of Memorials" for a defensive alliance with Russia is interesting in this respect that as early as 1896, the Chinese diplomats had already thought of forming such an alliance with China's neighbor to restrain the other enemy neighbor. How much is it true today, not only to the Chinese but also to the Russians?

Should the Li-Lobanov Defensive Alliance Be Renewed?

It must be pointed out that in demanding and concluding the Li-Lobanov Convention, though it was the desire of the Chinese diplomats to form a defensive alliance with Russia in opposition against Japan, Russia did not act *bona fide*, for Russia, by this time, was largely animated by her desire to get rail concessions from China as a compensation for her services rendered to China in the Sino-Japanese war, and to further her ambitious policy in the Far East. But the situation has since wholly changed. The past Russian policy towards China is already being totally discarded. A new situation in the Far East has now been created as a result of the forcible occupation of Manchuria by Japan. Japan has already openly challenged China, and threatens Russia next. Should we wait for defeat one after another, as was the case in the past; or should we take our lesson we learned in the past into serious consideration and take some concerted action to meet the emergency, in spite of the fact that our house has not yet being put in order? These are the questions which M. Bogomoloff has to answer.

The present situation has given us no other alternative than for China and Russia to work and cooperate closely to save ourselves. The reported conclusion of "non-aggression pact" between China and Russia is a right step toward this direction, but this does not end there. To promise to preserve the peace in the Far East; to help each other in the realization of this lofty aim is also essential.

The resumption of relations between Russia and America is also to be hoped for. So far as we know, the Japanese official sources have already voiced their opposition against the restoration of diplomatic relations between Russia and America, but we hope the two Governments will not be discouraged but go ahead to take steps in this direction, irrespective of the opposition from the Japanese.

Nanking, May 1, 1933.

T. V. Soong Impeached in Salary Dispute

Impeachment proceedings have been instituted at the Control Yuan at Nanking against T. V. Soong, vice-president of Executive Yuan and Minister of Finance, now en route to Washington, together with Chu Cha-hwa, Minister of Education, and Ku Meng-yu, Minister of Railways, for alleged disobedience of goverrment orders, in that they have failed to observe a Gorernment order that all Government employees are to receive but half of their salaries owing to the national emergency.

American Legion to Make Annual Visit to Ward's Tomb

The Frederick T. Ward Post of the American Legion will make its annual pilgrimage to General Ward's Tomb at Sungkiang on Sunday, May 28. Legionnaires, Spanish War Veterans, the U. S. Marine Corps, the U. S. Navy, Ex-service Men of the World War and others who wish to make the pilgrimage have been extended the usual invitation by the Legion Post. Adjutant Charlot will receive applications for reservations at the American Legion Post, 139 Sassoon House, Shanghai.

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64-425

The Problem of National Defense

BY WANG CHING-WEI
President of the Executive Yuan
(By Special Arrangement with the People's Tribune)

THERE are those who regard China's fundamental problem purely from the mechanical point of view, seeing only in purely military measures China's chance of national salvation and hope for a successful resistance against the Japanese—overlooking the fact that military reorganization is but part of the whole scheme of national reconstruction, that military reorganization alone, in disregard of other, and more fundamental, questions will inevitably give an added impetus to the predatory activities of a parasitic quasi-independent feudal militarism.

Others, overwhelmed by the difficulties which of necessity accompany the radical overhauling of the Chinese political, social and military system, and perhaps motivated by the less laudable motives of pecuniary profit, advocate, secretly or openly, a compromise or peace on any terms with the Japanese and the communists, on the naive theory that in so doing the Government would be able to concentrate its attention and energy on reconstructive work instead of wasting the national resources in what they consider to be a hopeless battle for China. The Three Eastern Provinces and Jehol are temporarily lost, to a foe who is superior in technique, organization, and immediate material resources. Why not thus recognize the existing situation, give up the idea of recovering the lost territories, settle down, and start direct negotiations so as to make the best of what they regard as an irremediable situation? As to the Communists, are they not also Chinese citizens, and would it not, in the present crisis, be well to make common cause with them against the Japanese aggressors? thus run their argument.

On the one hand, it must thus be insisted that China's hope in resisting the Japanese invasion lies not only in the taking of effective military, but, and more so, in the introduction of appropriate political, administrative, and economic reforms, with a view to increasing the productivity of the country and strengthening the democratic forces of the nation. On the other hand, it must be emphasised that the Japanese aggression and the existence of Communist banditry are most potent factors in retarding China's progress, making it practically impossible to carry out any contemplated reconstructive measures. For before the work of national reconstruction can be put through on any large scale, there must be peace. But there cannot be peace before an end is put to the Japanese aggression and the Communist ravages—before Japan has renounced the fruits of her international lawlessness and the Communists their policy of forcibly overthrowing the existing social and political institutions and organizations of the Chinese Republic. This means the most determined resistance, military and spiritually, on our part against the Japanese and the simultaneous subjugation of the militant Communists—the insistence on the interrelationship of national reconstruction and national defense.

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There has been a great deal of talk lately about the National Government making secret overtures to Japan for a compromise. Now any one with a modicum of common sense should be able to distinguish between what are rumours and what are facts. How could China and Japan in the present circumstances possibly come to a compromise? Is Japan prepared to give up The Three Eastern Provinces and Jehol, abandon her present policy of aggression, and dissolve the puppet regime in so-called Manchukuo? Can China ever submit to the Japanese acts of aggression and recognise the puppet government? As long as Japan is not willing to give up her present policy, nor China submit to this policy—and this we will never do—how can there ever be a compromise? How can there be direct negotiations between China and Japan when we know in advance that such would mean just the acceptance of Japan's terms? How can we initiate, or agree to, negotiations when Japan's aim is not only to consolidate her ill-gotten gains, but to extend her military campaign to within the Great Wall? Ours is not a defeated nation, as Germany was in 1918, and those who uninvitedly advise us to surrender and make peace, forget that we are only at the beginning of our struggle for international justice. During the first three years of the Great War the Allies were not much better off than we are. The Allies had their Liège, their Antwerp, their Tannenberg; they had their wholesale desertions, their defects in organisation, their internal squabbles, but they carried on, and in the end they won, and won decisively.

Our policy is one of active, prolonged resistance against Japan without neccessarily closing the channels of diplomacy. In resisting we cannot be certain of victory. Nevertheless, we must do our utmost, and utilize all our available resources, however inadequate, in carrying out this policy of resistance. But fully determined to resist, we must not be elated over occasional victories, nor discouraged by temporary reverses. And it must always be borne in mind that while troops might be defeated, the nation cannot be conquered. Take for instance post-war Germany who, despite the limitations imposed upon her by the Allied Powers, is now well on the way to revival and has again become one of the Great Powers. This serves to show that military violence can only destroy material forces, but is absolutely powerless against the spiritual force of a nation imbued with the spirit of patriotism and endowed with the power of political organisation. And we may have less money than the Japanese, and we may not be so well organised, but for every dollar we spend they have to spend ten, not to say that while our financial position, in spite of everything, is slowly improving, theirs is going downhill. Above all it must be remembered that in this war of attrition time is on our side, as before it was on the side of the Allies.

***

What is meant above by diplomacy is best illustrated by a reference to the recent decision of the League of Nations, which openly declared Japan an international delinquent. This decision now was the result of both our diplomacy and our policy of resistance. But whether the League of Nations will go further, and adopt the sanctions against Japan as provided for in the Covenant, and give a concrete meaning to her Resolutions, depends on whether we, by the methods of diplomacy, are successful in bringing the Member-States, and the rest of the world, to a realisation of their responsibilities in the realm of international law and justice.

A great many Japanese are further not in favor of the present aggressive policy of their Government, on the ground—a very proper one—that a policy of aggression can only result in the ultimate ruination of both China and Japan. This shows that the sense of justice and fair play is still alive, even in Japan.

Thus, besides the most determined resistance on our part we should direct our diplomatic efforts in arousing the nations of the world to adopting whatever effective measures are necessary to check the aggressive acts of Japan-gone-mad, while at the same time strengthening those sections of the Japanse people who are opposed to the suicidal policy of their present rulers, and opening the eyes of those who are now being misled by their military demagogues, into a realisation of their true interests.

With regard to the Communists, they have, instead of laying down their arms in the face of the present national emergency and in some way co-operating with the National Government in resisting the Japanese aggression, just exploited the situation to their own advantage and created a reign of terror and a state of lawlessness, not only retarding the progress of our reconstructive program in the provinces directly affected, and in other provinces as well, but immobilising many divisions which could have been utilised against Japan, and obstructing the movements of many troops destined for the North, thus indirectly co-operating with the Japanese invaders. But while the extermination of Communist banditry is a *sine quâ non* to the effective resistance against Japan, the fundamental solution of the problem lies not in military, but rather in "political" suppression, as the result of the introduction of appropriate administrative and political reforms.

This fundamental solution, this fundamental way of overcoming the national crisis, lies in the completion of the program of direct autonomy, the failure of which is at once the cause, as it is the effect, of the Japanese aggression and the Communist banditry as well the state of regional independence of the predatory militarists.

This Japanese invasion of the Three Eastern Provinces and Jehol and the depredations of Communist banditry have not only rendered impossible the enforcement of the district autonomy in the affected provinces, but, by its serious political and economic repercussions,

also hampered the completion of the program in other provinces. On the other hand, the capacity for political organisation and for carrying on political activities can be developed only by carrying out, throughout the country, of the system of district autonomy. In order for instance to ensure sustained resistance, it is imperative that all citizens should contribute towards the task. But this is hardly possible unless they are imbued with the political consciousness and possessed of the power of political organisation possible only as the result of the political education which gives the true meaning to district autonomy.

The rampancy of the Red marauders is thus due not so much to the depravity of the Communist leaders as to the lack of a sound political and administrative organisation on the part of the people, which in turn has given rise to the state of regional independence of the feudalistic militarists. These militarists have been able to maintain their domination largely owing to the lack of an organised and active popular opposition. Thus the completion of district autonomy will enable the people to organise themselves properly with a view to bringing an end to the greed of the predatory militarists, without risking the possibility of a renewal of civil war. For district autonomy does not merely mean the opportunity for the people to look after their own local administrative problems, but the ability, by a democratically organised system of militia, to exercise and develop their power of self-defense—against the Japanese aggressors, against the Communist bandits, against the predatory militarists.

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The road we have to travel is a long and tortuous one, owing to the interdependence and interaction of the various problems. It is not the easy one of the imagination of those who, unburdened by, or shirking, the responsibilities of State, just look on and throw epithets at those who, in spite of everything, are trying to contribute the little they can to refloat the ship of State for the stranding of which we all have been responsible. In order successfully to drive back the Japanese invaders, we must first put our political and military administration on a proper basis and establish the supremacy of the civilian over the military. In the past, either the militarist was officially the Head of the political administration or else the official Head of the Administration was the subservient instrument of the militarist, instead of the reverse. Thus the policy of non-resistance; thus the policy of killing the goose who lays the golden eggs. In times of national emergency it is necessary for the military to have additional, emergency powers, but all these powers are delegated powers, only for the duration of the emergency, on the basis of the subordination of military to civilian authority. But before we can properly carry out our political, administrative, and politico-economic reforms, we must first have put an end to the Japanese military aggression which is devouring the funds otherwise available for internal reconstruction. Of course, if we are prepared to give up Manchuria and Jehol we will have some money for other than purely military and administrative purposes, but this would merely mean living in a false sense of security, exposing ourselves to the danger of complete national extinction later on. To reach the goal of national salvation we must therefore put up the most determined resistance against the Japanese aggression and exterminate Communist banditry while *simultaneously* carrying out our program of district autonomy and introducing the other necessary reforms.

The road is a difficult one to travel, but it must be travelled. For the constructive revolutionary is accustomed to obstacles and disappointment, and will patiently struggle, disregarding calumny and misrepresentation, until his efforts are finally crowned with success.

British Ship Machine-Guns to Japan Despite Embargo

A statement in House of Commons April 15 revealed that licenses for the export from England of 300 machine-guns to Japan had been issued in March, despite the fact that the embargo on the export of arms to the Far East had been effective during the first fortnight of that month. Licenses issued for the exportation of arms and ammunition to China during February and March involved more than 12,000,000 rifle cartridges 67,350 manchinegun cartridges and 20 rifles.

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A Program for Relieving the Silk Industry

BY PAUL K. WHANG (汪仲芳)

IN my last article, I stated that the cocoon merchants and silkmen were petitioning the Ministry of Finance to relieve the silk industry by abolishing all forms of taxation on cocoons and setting aside the increased portion of import duties on artificial silk for the purpose of subsidizing raw silk destined for exportation. While these measures are still under the consideration of the government officials, they have in the meantime gone one step further in formulating a vast program for relieving the silk industry. This program, which has just been submitted to the government for its consideration, is both unique and interesting: Unique, because it is the first of its kind ever mapped out by the silkmen themselves, and interesting, because it introduces the novel idea of cooperative purchasing, manufacturing, and marketing.

Cooperation is the keynote of the program. While it emphasizes the need of close cooperation among the government, bankers, and silkmen in the purchase of cocoons, it also lays much stress upon the desirability of cooperative manufacturing and marketing raw silk. While it advocates that a minimum price for silk should be tentatively set up below which the government should pay the difference so that the loss of silk men can be minimized, it gives equal consideration to the interests of cocoon-producers by suggesting that the government should in accordance with the actual cost of cocoon production establish a price for cocoons, by which all the cocoon buyers should abide.

Thus the program, though prepared by the silkmen themselves, is not intended to bring benefits to the silkmen only, but designed to relieve the distress of cocoon-producers as well. It is a happy sign that after passing through a vicissitude of fortunes, the silk-producers have recognized the fact that any means of relieving the silk distress will fall short of their purposes if the cocoon-producers are compelled to dispose of their products at a loss. The recognition will eventually pave the way to usher in a new era in which a close cooperation between the cocoon and silk producers which has been lacking heretofore can be established so as to facilitate the task of rehabilitating China's silk industry.

Cooperative Effort

In the matter of cooperative purchasing, manufacturing, and marketing, the program has laid down a few principles, but their details, we have been told, will not be worked out until after the principles have been approved by the government. In regard to the cooperative purchasing of cocoons, a united organization, according to the program, should be formed with the participation of all the silkmen, and the following measures have been provided.

(1) To raise a capital to finance the purchase of cocoons.
   (A) A Banking Consortium should be formed by the banks to make loans to silkmen to the extent of between $20,000,000 and $30,000,000.
   (B) The government should hand to the Banking Consortium a sum of $5,000,000.
   (C) The silkmen should raise among themselves and deposit with the Banking Consortium a sum of $2,500,000.

(2) To make loans to the silkmen. At the time of cocoon season, the united organization and the Banking Consortium should send their representatives to different cocoon-producing districts to supervise the purchasing of cocoons.

(3) To fix the price of cocoons. The silkmen should cooperate with the government to fix the cocoon price, which, once fixed, must be abided by by all the cocoon purchasers. In this connection, the following explanations have been offered. "Based on the present market price of silk, the prices for the cocoons of native eggs and those of disease-free eggs can not be more than $20 and $30 per catty respectively. But in comparing with their costs of production which are $.30 and $.40 per catty respectively. The cocoon-producers will sustain a loss to the extent of $.10 per catty in each case. In order to relieve the farming distress, the government should cooperate with the silkmen to fix the price of cocoons of native eggs at $.30 per catty and that of disease-free eggs at $.40 per catty, so as to correspond to their respective costs of production. Once the price is fixed, neither can the silkmen decrease it to exploit the farmers, nor can they increase it to disturb the market."

With reference to the cooperative manufacturing of silk, two alternatives are provided:

(1) All the silk filatures should raise capital and join a united organization which should supervise all silk-manufacturing; or

(2) All the silk filatures, either because of the proximity of their location or similarity of their products, should be divided into different groups and each group should be responsible to its own profit or loss. All the groups should come together to form a united organization to supervise the silk-manufacturing.

As to the cooperative marketing of silk, the following provisions are provided.

(1) All the silk should be sold through the united organization which should be composed of the representatives of the government, bankers, and silkmen.

(2) A subsidy of not more than $140.00 should be given to each picul of silk destined for exportation and the total amount of subsidies given should be limited to the aforesaid $5,000,000. In this connection, it is prescribed that the government should purchase raw silk at ₹600.00 per picul or pay the difference, if the market price goes down below ₹600.00; but the government would not be responsible for purchasing those silks which can not be disposed of at the basic price because of their poor quality.

The Question of Practicability

In view of the extensiveness of this program, we can not help entertaining some doubt as to its practicability. Unless a close cooperation among the silkmen can be effected, such a program, though accepted by the government, can not be successfully carried out. Moreover, it is also exceedingly doubtful if the government at the present financial distress can spare $5,000,000 for this worthy purpose. Last but not the least, it is also problematical that the bankers with their past sad experience in financing the cocoon and silk business will be ready to promise their financial support to the present program.

In spite of its many uncertainties, the program itself contains many noteworthy features which deserve our attention. By fixing the price of cocoons in accordance with their cost of production, the cocoon-producers can be protected from suffering any excessive loss, and the tendency to abandon the silkworm-rearing on the part of many farmers may be eventually checked. By ordering all the silkmen to abide by the fixed price, the unscrupulous silkmen can no longer play up their tricks to exploit the ignorant farmers. As a means of encouraging silk cultivation, the cocoon-producers must be assured of their returns from the investment, so that they are willing to spend labor and money in raising silkworms.

It goes without saying that the loss of our silkmen will be very much minimized if a minimum price for silk can be established. This practice has been long adopted in Japan where the government will either grant subsidies when the price of silk goes down below a certain point, or purchase silk from the market in order to boost up its price. In view of the importance of silk industry, there is really no reason why the government should not set aside a fund to subsidize its operations.

Many things can be also said in favor of cooperative purchasing, manufacturing, and marketing; but these reforms, being very complicated in scope, can only be introduced steps by steps gradually. Their wholesale adoption at one time will only bring confusion and disturbance to the market. Before we are informed of their details, we must guard ourselves not to be too enthusiastic over these reforms.

The program, though admirable it is, is not a fundamental one in rehabilitating China's silk industry. The measures provided therein are largely intended to relieve the present distress, and not to improve the quality of cocoons and silk. While measures for relieving the present distress are indispensable, those for improving the quality of our cocoons and silk may be even more important. Unless we can produce our goods in conformity to the requirements of foreign consumers, we shall be constantly in distress in the face of Japanese competition.

THE WONDERFUL GREEN JADE PAGODA FOR CHICAGO EXPOSITION

(*Continued from page 370*)

and Liu Pao-chen from a quarry in Burma. Upon investigation, it was ascertained that the superb green tints spread throughout the white portion of the jade. In view of its unexempled beauty and size, Mr. Chang, after several years of thoughtful planning, conceived the grand idea of producing a huge jade pagoda which would a be worthy and striking exemplication of Chinese art.

In addition to the pagoda, it was also found possible to fashion from this original stone, measuring about eight feet by four feet by two feet and weighing about eight tons, a pair of palace lamps, a "Pailou" or rectangular arch, ten small pieces of accessory decorations, three stories of railing enclosing the pagoda and the lamps. The palace lamps are similar to a melon in shape and size and supported by artistically carved column and pedestal. They are of ancient type evolved in the palaces during the Han Dynasty, about two thousand years ago. These jade lamps follow closely the classical model. The stone from which they were carved was much larger than a melon, for the total height including that pedetals is one half meter. Beautiful pictures of fairies and classical legends are carved on the inner surfaces of these lamps. The carving was so carefully and artistically done that the figures stand out in strong relief, the work forming an excellent representation of Chinese pictorial art.

"The Pailou" or rectangular arch is another typical form of Chinese art. Such arches are erected for the purpose of commemorating virtues or courageous deeds. The jade arch is an miniature replica of the "Pailou" standing on the shore of the Lake of Ten Thousand Ages in the Peiping Summer Palace.

The ten pieces of accessory decorations are a pair of miniature tortises and a pair of cranes which are symbols of long life, a pair lions symbolising power and authority, one sun dial which Emperors used to ascertain time before the advent of the modern clock, one imperial standard bushel, one Imperial seal box and one Imperial Edicts stand from which Imperial decrees were transmitted down for execution. The railings are of three stories with steps in the front and on two sides. The steps in the front are of three paths, the middle being the dragon path which only Emperors could traverse when descending from the Throne.

All these pieces of art treasures possess transparency and rich green tints to a very high degree. Fortunately, it was possible to secure these beautifully matched pieces from one stone, as every jade stone is as distinctive from any other jade stone as one person from another. Thus they blend in color and sheen because they are carved from the same piece of work. Never before in the history of Chinese art has such a marvellous piece of jade been combined with such exquisite workmanship. These three pieces, the pagoda, the palace lamps and the arch, are truly the greatest masterpieces in all of Chinese art.

The owner of this set of art treasures is the Hwa Tseng Jade Company at Shanghai, of which the designer of the jade pagoda, Chang Wen-ti, is the general manager. Mr. Chang announced that the Pagoda would be shipped to America aboard the President Liner Cleveland on May 9 and is expected to arrive at Chicago before June 1, when the Century of Progress Exposition is scheduled to be inaugurated.

Trouble on the Sikang-Tibetan Frontier

Although Sikang-Tibetan relations are tense, no outbreak of hostilities has yet occurred, according to the latest reports received by the Central Government from that region. The *Sin Wan Pao* understands that, as a result of the recent civil war in Szechuen, which necessitated General Liu Wen-huei recalling his troops from Sikang, the garrison in that border province is weak. In view of the threatening situation, General Teng Pan-chun, brigadier-commander in Sikang, has ordered his troops to avoid contact with the Tibetans as much as possible. At the same time he has wired to General Liu Wen-huei asking for reinforcements. To strengthen his position in Sikang, General Teng has also made arrangements with the Chinese troops in Chinhai to reinforce the Chinhai troops on the Yushu frontier.

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64-429

New Train-Ferry to Operate in August

(*By the Review's Correspondent*)

IN view of the arrival at Shanghai of the train-ferry between Nanking and Pukow "Changchiang," the Ministry of Railways has instructed the Administrations of the Shanghai-Nanking and Tientsin-Pukow Railways to make plans regarding traffic matters on the two railways after completion of the ferry and submit the same to the Ministry for approval. The train-ferry was originally projected by the Peking Government but owing to civil disturbance, it had been suspended. Upon the removal of the Government to Nanking, Sun Fo, the First Minister of Railways, during his tenure of office, revived the project.

After a careful study, the Railway Ministry decided to adopt the train-ferry instead of other kind of means of communications across the Yangtsze river. A special Bureau for constructing the Ferry was established in Nov. 1931 with engineer Chen hwa as the head. First, the foundation was laid and at the same time tenders were invited to construct the ferry and invite bids for materials for the suspension bridge. The ferry is 360 feet long, 56 feet wide, with a speed of 12 leagues per hour, and capable of accomodating 21 freight cars of 40 tons each. On the ferry one locomotive is to be installed for the purpose of carrying trains from river to land and visce versa. A movable bridge is being established on each bank to meet the height of the water-surface. The difference of height in the Yangtsze River all the year round is 24 feet. The whole length of the bridge is 600 feet. It is 25 feet high and its breadth varies with different sections. The three sections nearing the land are 20 feet wide, while the fourth section has 44 feet, so as to be wide enough for 3 rails at a distance of 12 feet each, to be connected with the rails on the ferry. In order to abate the tossing of the ferry while loaded, a movable gang-board of 50 feet long is to be placed between the joint of the bridge and ferry. On the bridge foundation, steel columns are to be erected whereupon elevators are to be placed.

Estimate of Construction Cost:—

a.	Train-ferry	£ 80,000
b.	bridge	£ 73,000
c.	locomotive	£ 10,000
d.	bridge foundation	£500,000
e.	Installation charge	M $300,000
f.	dredging	£ 6,000
g.	Machine	£168,000

The transportation records in the past year show the total freight carried by the two railways daily is approximately 3,000 tons. After the completion of the train ferry, the freight crossing the river may be charged moderately at $1.00 or $2.00 per ton, which will bring in a revenue of to $1,200,000 per annum. Deducting $200,000 annually for the salary of the personnel and various expenses for the maintenance of the ferry, it will leave $1,000,000 as net profit per year.

Having prepared the draft, the Railways' Ministry appointed its chief-engineer Yen Teh-ching to organize a tender committee. After examination of the bids, the British firm Malcolm & Co., obtained the tender for the ferry, and another firm Dorman Long & Co., secured the contract to build the bridge, for which a contract was signed on August 16, 1932 at a price of £72,023. The ferry contract was concluded on March 8, 1932 at a price of £80,025. The Ministry sent engineer Chen-hwa to the dockyard in England to supervise the construction. The ferry has now arrived at Shanghai. It is expected to be open for traffic in August or September of the current year. As to the expenditure of the whole construction, the Ministry has loaned $310,000 in addition to the loan of £2,000,000 from the Boxer Indemnity Refund. The ferry is christened "Changchiang."

There are ten bridge foundations, five at Hsiakwan and five at Pukow. They are to be built with concrete steel. The first foundation nearing the water is 76 feet wide and 23 feet long, with motorman's room in the front, which is 18 feet wide and 14 feet long. The second foundation is 14 feet wide and the third and fourth are about the same width. The fifth foundation nearing the land is 30 feet wide and 14 feet long upward and 26 feet long downward, in the form of a ladder. The height of the foundations varies according to the water conditions. Both sides of Hsiakwan and Pukow are nearly the same. This is the most important part of the whole construction. The wharves are situated in front of the bridge, both sides being built of wood. They are of three stories, upper story being 35 feet above water, the middle story being 25.5 feet above water, and lower story being 10 feet above water, so as to adapt themselves to any water condition. In the front of the wharves are set wooden frames in order to prevent them from being knocked by the ferry. Beside the wharves are erected 21 wooden poles of the whole distance of 200 feet. When the ferry approaches the wharf, her stern will meet the bridge and her body stop along the wooden frame, so as to avoid rocking. A gate is built at the bank of each side and its opening and closing is kept by an electric device. When the ferry approaches the land, the gate will automatically open. In the front of the gate, there is an emergency doorway so as to guard against accident.

The construction work is to be done by the two railways (Shanghai-Nanking and Tientsin-Pukow). The distance from the jetty to the station is 4,600 feet at Hsiakwan and 900 feet at Pukow. The width of the river is 3,600 feet. It requires only 40 minutes for the train to cross the river including the time of unloading and crossing.

Electric power is used for elevator, opening and closing of the gate, etc. and the time required is 19 minutes. To guard against inconvenience in case of breaking current, manual labor will be provided in addition to electric power.

Installation work for the bridge has been completed and is awaiting the material for the bridge. Wooden poles have been fixed under every arch of the bridge.

After the completion of the whole work, there will be a gigantic archway and a series of bridges across the river which will give great facility to traffic. Henceforward travellers will take no trouble to travel in boat in crossing the river.

Nanking, May 1, 1933.

British Engineers Not to Be Pardoned

There is little likelihood of the two British engineers of the Metropolitan Vickers Electrical Company, Thornton and MacDonald, who were sentenced to three and two years' imprisonment respectively for espionage and sabotage, being released under a general amnesty for political prisoners, recent advices from London and Moscow state.

The *Baltimore Sun*, in an editorial considers the British Government has been placed in a ridiculous position by the Soviet counter measures to the British embargo, which measures have deprived England of a tempting market.

The *Manchester Guardian* is strongly critical of the British embargo on Soviet imports, and declares that Britain will have to pay other countries much higher prices for goods normally purchased in Russia.

American Mint Director Comes to China— Woman Succeeds Him

Robert John Grant, Director of the United States Mint in Washington, resigned his post April 26 in order to become advisor to the Chinese National Government Mint in Shanghai. Mr. Grant is coming to Shanghai by the first opportunity. Mr. Grant, who has been Director of the Mint in Washington since 1923, was previous to that time superintendent of the United States Mint in Denver. He also held the post of executive manager of the Food Administration for Colorado from 1917 to 1919.

Mrs. Nellie Taylor Ross, former Governor of Wyoming, has been appointed by President Roosevelt to be the director of the United States Mint.

I. T. & T. Earned $7,318,185 in 1932

The International Telephone and Telegraph Corporation and Associated Companies, report for 1932 shows gross earnings of $67,382,690.84 as compared with $87,843,525.41 for the year 1931. Operating expenses were $60,064,505.26 as compared with $69,433,847.56 for 1931, which resulted in net earnings of $7,318,185.68 as compared with $18,409,677.85. The effect of the severe decline in general business during 1932 is reflected in the decrease of $20,460,834.57 in gross earnings. The major portion of this reduction occurred in the telegraph and cable business and in the maufacturing activities.

Mohammedan Rising in Sinkiang Gains Ground

Recent reports from Sinkiang (Chinese Turkestan) state that the Mohammedan rebels are gaining the upper hand in their fighting against the provincial chairman, General Chin Shu-jen, who fled from Tihua on the approach of the Mohammedans. The Mohammedans are now in control of the major portion of the province. The Chinese telegrams speak of the continued negligence of the Government and state that such an uprising as that which has occurred in Sinkiang is not at all surprising. Ever since the establishment of the Republic the Government has never thought of doing anything for Sinkiang, one of the richest provinces in the Northwest, the Chinese telegrams state. During the reign of the late General Yang Tseng-hsin, the former Chairman, he upheld the old system in that province and was able to get along amicably with the local Mohammedan population. But when General Yang died and his office was taken up by General Chin Shu-jen, the latter adopted a high-handed policy and imposed a number of illegal taxes on the people. He also promulgated a number of regulations imposing exactions on the Mohammedans.

General Chin Shu-jen resigned during the week and his resignation was accepted by Nanking. Wang Ching-wei telegraphically instructed the ex-governor to come to Nanking immediately.

At last advices, General Ma Chung-yin, Mohammedan general, was in command of a division advancing on Hami. He is generally believed to be sympathetic with the Mohammedans. It is understood that the latter are equipped with modern arms.

A mandate issued at Nanking April 28 appointed General Huang Mu-sung, a high military officer of the Board of General Staff, Special Pacification Commissioner to Sinkiang. General Huang later came to Shanghai, whence he is embarking for Vladivostok. From Vladivostok, he will proceed to Sinkiang via Siberia.

According to another report from Sinkiang, Liu Wen-lung, Provincial Commissioner of Education, has been elected chairman of the Sinkiang Provincial Government, pending the appointment of a successor by the Central Government. A certain Mohammedan, Sheng Shih-tsai, is reported to be the leader of the insurgents.

Mohammedans Friendly to Japanese

A telegram in the *China Times* states that Sinkiang has for years been a bone of contention between the British, the Soviets and Japan. Of the three, the Soviets and the Japanese have made remarkable progress in extending their inflence. The only newspapers published in Sinkiang are owned by the Soviets and the Japanese. The Japanese have even built a number of Mohammedan churches and many Japanese have been instructed to accept the Mohammedan faith. Similarly Mohammedan churches have been established in Tokyo for the benefit of the Mohammedans in Japan. To show Japan's good-will 250 Sinkiang Mohammedans have been admitted into different Japanese schools in Tokyo. Through these measures the Japanese have succeeded in cultivating the friendship of the Mohammedans. It is said that some of the Mohammedans in Sinkiang regard the British and Soviets as aggressors, but the Japanese as friends.

Interviewed in Nanking Chang Feng-chiu, resident representative of the Sinkiang Provincial Government in the Capital, said the trouble was due largely to the fact that the Provincial Government had not at its disposal a force sufficiently strong to suppress the riots.

The *Peiping Morning Post*, April 26, stated: "The seriousness of the situation in Sinkiang lies not so much in the hostilities between the Moslems and the Chinese, but that such a situation provides excellent opportunities for the imperialistic powers to extend their influence into that province."

According to a message from Kashgar, hundreds of Chinese were massacred at Yarkand Old City on April 11, when Mohammedan rebels captured the city. The other residents there, including British subjects and Swedish missionaries, are stated to have escaped to Yarkand New City, which was defended by Chinese troops.

Organization of the Sinkiang-Suiyuan Omnibus Company is nearing completion. The Company will run a regular bus services between Paotow, the present terminus of the Peiping-Suiyuan Railway in Suiyuan, and Tihua, Sinkiang provincial capital, across the provinces of the Ninghsia and Kansu, a distance of more than 2,000 miles.

"The Seaboard Route to the North"

Travel on The

Peping-Liaoning Line

Starting at Peping, the ex-capital of China, called the most interesting city in Asia, with its intricate systems of walls, its Imperial palaces and its beautiful temples and tombs the Peping-Liaoning Line goes down to Tientsin, the great port of Chihli, and from there swings in a wide circle on its pathway to the north. From Lanchow to Chinchow the railway follows the line of the Gulf of Chihli, passing through Shanhaikwan, where the Great Wall ends at the sea, and thence on to Mukden, the ancestral home of the Manchus, a city which vies with Peping in its splendor of palaces and temples and ancient shrines.

Through tickets are issued and passenger's baggage registered through between the important stations on the Peping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peping-Hankow Railway and with the Peping-Suiyuan Railway and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Superintendent of Transportation.

IMPORTANT NOTICE

Owing to the Japanese occupation of Manchuria, tickets are only sold to Shanhaikwan where the Peping-Liaoning Railway crosses the Great Wall. The Chinese Government Railways assume no responsibility for transportation or safety of passengers beyond Shanhaikwan.

Peping-Liaoning Railway

Head Office

TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

64-431

Mayor Wu Denounces S. M. C. Factory Control in Protest to Consuls

IN identic notes filed with the various Foreign Consulates on April 27, Mayor Wu Te-chen of Greater Shanghai Municipality formally protested against the Shanghai Municipal Council attempts to control factories in the Internation Settlement and denounced the Council action as a violation not only of Chinese sovereign rights but also of the treaties between China and the Foreign Powers concerned The notes pointed out that the powers of the S. M. C. are specifically enumerated, any enlargement of which by whatever means on the part of the Council is illegal and ultra-vires. The protests are designed to prevent the final approval by the Consular Body of the Resolution passed the Foreign Ratepayers' Special meeting on April 19 authorising the S. M. C. to undertake factory inspection at its own initiation.

In the meantime, the Ministry of Industries has issued a circular order to Shanghai and other Municipalities throughout the country, enjoining that factory inspection must be carried out in accordance with the Inspection Laws of the Government. Li Ping-heng, Director Inspection Faws of the Government. Li Ping-heng, of Labor Department of the Ministry, in an interview to the Press, declared that the Government would never give way on the matter of factory inspection in the foreign settlement in Shanghai and that if the Chinese Authorities of Greater Shanghai Municipality could not effect a satisfactory settlement, the matter would be taken up through diplomatic channels and possibly referred to the International Labor Conference for arbitration.

Locally, the reaction against the S. M. C. measure is even more strong and almost drastic. The Chinese Factories Association, in a decision at a meeting held on April 29 in connection with the question, threatened to move to Chinese territory, if the S. M. C. should insist upon exercising control over them in violation of the integrity of Chinese labor administration. The Chinese Native Products Association also held a meeting on the same day, discussing measures for coping with the new situation arising out of the illegal authorization of S. M. C. to license factories by the Special Foreign Ratepayers' meeting. They decided to urge the City Government of Greater Shanghai to protest to the Consular Body against the decision and to form a special committee to take necessary steps against the Council's abuse of right.

In view of the growing tense situation on the question as a result of the official action and private protests on the part of the Chinese, the Consular Body is shortly calling a conference to discuss the affair. While some foreign members of the S. M. C. are reported to be in favor of compulsory measures in enforcing factory control, the attitude of the Consular Body is as yet ambiguous and uncertain, as no final and definite decision can be reached without unanimous approval of all members of the Body. The new Chinese Councillors to the S. M. C. expressed their strong objection to the Council measure and refused to discuss the matter when they met the Foreign Councillors at their first meeting held on April 26. It is understood that the S. M. C. will not attempt to take any official action, pending a reply from the Consular Body to the Chinese protest.

Following is a summary of the note of protest to the Senior Consul of the Consular Body by Mayor Wu of the Greater Shanghai City Government:

"The factory inspection is a part of the integral labor policy of the Chinese Government is not to be doubted. Since the promulgation of the Chinese Factory Law by the Chinese National Government, this Government has repeatedly sent delegates to the Shanghai Municipal Council for negotiation as to the enforcement of the law in the International Settlement. The efforts, however, were fruitless.

"Now the Shanghai Municipal Council, realizing that it has no right to inspect the factories in the International Settlement, has tactfully attempted to remedy the situation by amending the Land Regulations in an attempt to obtain the said rights.

"The council action came as a surprise to the city government. That the International Settlement is Chinese territory and that residents in the Internaional Settlement shall abide by the same law enforced by China should not be doubted. It is obvious that any attempts to make the settlement residents outside of the jurisdiction of the Chinese government is illegal.

"The power of the Shanghai Municipal Council is limited. As factory inspection is a part of the Chinese labor policy and not a mere local administrative function, it is even more obvious that the council attempt to inspect the factories in the International Settlement is illegal."

The protest concludes with a vigorous statement denouncing the council action as not only violating the sovereign rights of China but also the treaties which the Chinese Government entered with the foreign powers. A reply is demanded.

Deploring the dispute as an unhappy breach between the Chinese and the Settlement authorities, the *Sin Wan Pao*, a prominent Shanghai Chinese daily, in an editorial on April 29, pointed out that the power of the S. M. C. is limited and can not be extended on its own initiative. Strictly speaking, the editorial emphasized, the Yangkingpang Regulations are a permission of the Chinese Government and the Powers concerned to grant the Council an autonomous status in Shanghai, but the rights of the Council are clearly specified by the Regulations. Anything that is not enumerated therein is necessarily reserved to the Chinese Government. Therefore, if the Council wishes to have the Regulations revised, this can not be done without the previous approval of the Chinese Government and Governments of the Powers concerned. The Council itself has no right or power whatsoever and is absolutely unwarranted to extend its powers on its own accord. If it does so, it is guilty of a flagrant violation of the sovereign rights of the Chinese Government and therefore, its action is illegal. In conclusion, the editorial pointed out that the bye-laws of the Yangkingpang Regulations are equivalent to separate governing peculiar issues of the Council which can not step beyond the powers entrusted to the S. M. C. by the Regulations themselves.

The latest development on the controversy was an official call on May 2 by Edwin S. Cunningham, U. S. Consul-General and Senior-Consul of the Consular Body to Mayor Wu Te-chen, in the course of which the two officials exchanged views on the matter. While maintaining that factory inspection in the Settlement is a matter concerning the integrity of the Chinese Labor Administration, Mayor Wu assured Mr. Cunningham that he would be prepared to renew discussions on the question. Provided that the stipulations of the Chinese Factory Law are not neglected, Mayor is reported to have said, the Chinese authorities would be willing to enter into negotiations with the Settlement for the conclusion of a practical working arrangement.

Information from semi-official sources is to the effect that the Chinese authorities would not uncompromisingly object to the co-operation of the Municipal Council in the enforcement of the factory law, provided that the regulations of the Law are respected. It is further stated that the Chinese authorities would accept an arrangement under which the Chinese factory inspectors would be accompanied by Municipal Police when exercising their duties and any violation of the factory law should be prosecuted by S. M. Police.

It is understood that the protest filed by Mayor Wu with the Consular Body in connection with the matter has not yet been replied. Mr. Cunningham's call on Mayor Wu is considered as a step preparatory to the calling of a meeting of the Consular-Body for the appreciation of the Chinese views on the dispute.

Prior to Mr. Cunningham's call Stirling Fessenden, secretary-general of the Municipal Council, called on O. K. Yu, secretary-general of the City Government on April 29 and exchanged opinions on the same subject.

Special Court Urged in Japan to Try "Thought" Offenses

Judicial officials in Japan are pressing for the establishing of a special high court for the trial of offenses against the Peace Preservation Law—no matter whether they are committed by Left or Right radicals—and that able judges well versed in "thought" problems be appointed to this special court.

A conference of chiefs of prefectural police throughout Japan was convened May 2 at the Home Office to last for six days. Prevention of dangerous thoughts and extermination of radical elements, of both the right and left wings, were the main topics discussed.

The Education Department of Japan frowns on Professor Takigawa, of the Department of Law of Kyoto Imperial University, because of his Marxian ideas, and has suggested to Dr. Konishi, President of the University, that he be dismissed. In reply Dr. Konishi is reported to have described the general attitude of the University towards the question and signified his unwillingness to comply with the implied request of the Education Department to dismiss the professor.

"Red" Sailors Sentenced in Japan

"I regret that, forgetting you are sons of the Emperor and bulwarks of the State, you have been concerned in such an unpatriotic movement. But in consideration of your repentance, I have given you the lightest sentences possible, and I hope that in the future you will be true Japanese." With these remarks, the President of the court martial of Yokosuka Naval Station April 24 sentenced the three "red" sailors who were tried on charges of diffusing Communist ideas among their fellow sailors, to three years imprisonment.

Five "Communist" sailors were sentenced at Kure Naval Station April 25 from three to six years imprisonment.

A recent so-called Communist case in Yamaguchi Prefecture revealed the fact that the organization was under the leadership of a young woman Communist, named Maruyo Nishiyama (23), wife of a certain commercial school teacher. She acted as head of the Tokuyama regional council of the Japan Communist Party, in conjunction with Morimichi Morita, who centered his activity upon winning recruits from among tenant farmers.

Miss Yasu-ko, a sister of Prince Iwakura, has been placed under examination at the Shibuya police station, Tokyo, charged with participation in a Communist movemant.

A recent police case in Osaka disclosed that one Nagao, an instructor on the Japanese abacus, had engaged in the wholesale killing of illegitimate babies for profit. Some of the corpses were found under his house.

Many Suicides at Oshima "Hell Craters"

The famous "hell craters" on Oshima island in Japan are setting record after record in suicides and would-be suicides. Ever since the beginning of the year there has been a steady procession of suicides who have leapt into the volcano with the result that the police have been forced to maintain a strong guard on the summit. On a recent Thursday a cordon of special police arrested no fewer than ninety people who were suspected of visiting the spot to commit suicide. Scores of tragedies of love, politics, family, and finance were revealed by the police examinations.

Korean Communists Arrested

Forty-three Communists were arrested in raids throughout Korea on February 25 and during the early part of the year, of whom 15 have already been indicted after preliminary examination, a recent lifting of the police ban on the news revealed. The police were led to start the radical movement again through developments during a strike at a rubber goods manufacturing company in Fusan during January. It was found that an organization had been formed by Korean radicals, members of the Korean Labor League and the Japan branch of the Korean Communist Party. About 10,000 members had already been secured and were actively carrying out a campaign for re-establishment of the Communist Party in Korea with a membership of laborers and educated intellectuals.

Mr. Ariyoshi, Minister to China, in a recent statement said the activities of Koreans in Shanghai are becoming increasingly dangerous.

A Korean inventor named Son who was recently arrested in Tokyo on a charge of having defrauded many persons of sums amounting to over Yen 10,000 on the pretext that he wished to form a company to manufacture a clothes wringer which he had invented. The money was used in connection with a certain monument in memory of Koreans in Shanghai.

交通大學研究所

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64-433

Japanese Proceed with Fortification of Port Arthur

A recent telegram from Dairen stated that construction of the Port Arthur base is already under way. A large wireless station is being constructed on the top of Nanlushan Hill. This is to be protected by a number of anti-aircraft guns and heavy guns. The cost of construction of the station is said to be two million yen. When completed it will be able to communicate freely with any station in Japan and ships on the Pacific.

The Japanese are building new forts on the old Russian sites and the latest type of heavy guns are being mounted. West of Port Arthur an airplane landing-field and an oil-filling station are now under construction.

The Second Japanese Squadron, which will be stationed at Port Arthur, has been considerably strengthened by the addition of an aircraft-carrier and a cruiser. This squadron now consists of ten vessels; two battle-ships, one aircraft-carrier, one cruiser and six destroyers.

The Japanese Naval office recently issued a statement to the effect that the revival of the Port Arthur naval base is not a violation of the Washington treaty. Vice Admiral Fujita pointed out that the former naval base at Port Arthur was abolished as such in 1922 entirely upon the initiative of the Japanese Government. It was abandoned at that time for economic reasons.

"The establishment of Manchukuo, however, has altered the situation," the Vice-Minister continued, "and we have restored the naval base simply because we believed that it would be more convenient from the point of view of naval administration if the navy had a supervisory organ in that area. It did not seem possible to the navy that restoration of the naval base could interfere in any way with the terms of the Nine-Power pact or that it would cause any international reaction.

The *Jiji* reported an un-named official of the Foreign Office as taking the view that the naval base question was not the business of any of the other Powers. "Port Arthur is in Japan's leased territory," he was quoted as saying, "and can be regarded as Japanese territory. Therefore, Japan is free to do whatever she pleases in the way of establishing equipment."

Chekiang Appoints Military-Minded Magistrates

The administration of districts along the Chekiang coast, (Kashing, Hangchow, Ningpo, Taichow and Wenchow) is to be placed in the hands of magistrates possessing military knowledge or training. This decision by the Chekiang Provincial Government, in conformity with instructions from the Central Authorities, was made as a means of strengthening the coastal defence of the province. It is understood that similar action will be taken by other maritime provinces to give preference to men of military training for service in coastal districts.

China Objects to New Malayan Immigration Regulations

The Chinese Foreign Office has lodged a strong protest with the British authorities in Malaya against the newly promulgated immigration regulations. According to the new ruling, each ship going to Malay must not bring in more than 25 Chinese emigrants. This rule is supposed to apply to all foreign immigrants to Malaya, but the Chinese constitute more than seventy per cent of the foreign settlers, so the rule is generally considered as aimed at the Chinese alone.

A Search for Gold in the Sungari Region

Approximately 60 engineers, assayists and machinists will go on an expedition to the Wutung district of the Lower Sungari area, early in May to search for gold. The party will start from Harbin. Airplanes, it is thought, will be used to carry nuggets, passengers and provisions to and from the base of operations.

The South Manchuria Railway Company is said to be prepared to spend Yen 500,000 in equipping the expedition which, for the time being, will be an experimental proposition.

Leipzig Fair Attracts Great Crowds

Figures are now at hand regarding the extent and results of the Leipzig Spring Fair for 1933. Altogether 6,292 firms and enterprises took part in the exhibition, amongst them 662 foreign firms from 23 different nations. The number of commercial visitors ran up to 115,000 and equalled that of the previous year. About 14,663 foreign buyers were visitors of the Fair, which is about the same figure as in the previous year; many Jews were amongst the visitors.

British Subject Arrested in Kobe in Connection with Ammunition Shipment

Recent papers from Japan state that a British subject John McKinley, was arrested by the Kobe water police April 21 as he was about to leave for Shanghai. It is alleged that the man arrested is the "mysterious foreigner" sought for in connection with a transhipment of ammunition from a Dutch steamer to a Japanese steamer bound for China. The paper also alleges that Mr. McKinley is involved in the sale of a certain steamer, and that he was handed Yen 23,000 as an advance on the purchase price of Yen 100,000. The Shanghai police have no record of a man of this name.

Some Motor Cars Cheaper Than Bicycles in the United States

A subscriber recently mailed *The Review* a clipping from a Baltimore newspaper which spoke eloquently of conditions in the used car market in the United States. An advertisement of used cars indicated that a Ford Coupe could be purchased for G.$15, Chevrolet Sedan $30, Essex Pickup $35 and Pontiac Coach $40. A Studebaker Coach was priced at $45, a Hudson Sedan at $95, a Buick Coupe at $95 and the most expensive car in the list was a La Salle Coupe at $150. A bicycle advertisement on the same page listed new machines from $19.50 to $35.

Chinese Take Over Foreign Cable Receiving Offices

Officials appointed by the Chinese Government to supervise the foreign cable companies' receiving offices, in accordance with the new cable agreements signed by the companies with the Ministry of Communications, were sworn into office at a ceremony at the Ministry's Bureau of International Telegraphs, 54 Yu Yuen Road, Shanghai April 29. These officials are Pan Cheng-chun, chief of the Great Northern Telegraph Co.'s counter office; J. P. Elster, associate-chief of the office; Sun Shih-cheng, chief of the Eastern Extension Telegraph Co.'s counter office; B. Storey, associate-chief of the office; Li Chi-ching, chief of the Commercial Pacific Cable Co.'s counter office; and C. J. Hamsworth, associate-chief of the office. The chiefs and associate-chiefs will each be assisted by four assistants.

Real Estate Review of Northern District by Realty Investment Company

Though no fresh sales have been reported in the Northern district of Shanghai lately, there are many encouraging signs showing the gradual recovery of the district and its environs. Another apartment house designed to cater for the Chinese business man of moderate means is going up in North Kiangse Road and Tsungming Road. It will consist of 500 single room apartments with bathroom accomodation on each floor and a big communal dining room. A new building is planned at the corner of Tsungming and North Szechuen Road with several new features, the principal one being double shops with double windows on its lower floors. Each shop will be self contained and have double window advertising space and is easily able to run more than one department.

All these buildings have been designed and will be erected by The Republic Land Investment Co.

An important sale of 11 mow 3 fun is reported on the Corner of Ningpo and Honan Road for Tls. 1,700,000.

A small lot of 2 fun on Bubbling Well Road is reported at Tls. 28,000. Several big mortgages have been placed at rates of interest ranging from 8-10 per cent.

Who's Who in China

Dr. Sung-nien Hsu, author and university professor; born at Wusih, Kiangsu, 1904; graduate of Tungchi University, Shanghai; went to France in 1920 and studied at the following schools: Institut Franco-Chinois (Lyon), Lyon University, Ecole Universelle (Paris), Paris University; received Litt. D. degree from Lyon University; returned to China in 1930; director of the publications department and chief librarian of the Labor University, Shanghai; now professor at the Central University, Nanking; married Miss Suzanne, a French girl and graduate of Ecole des Beaux-Arts de Bordeaux; in addition to teaching at the Central University, he is now editor of the Milo Weekly Section of the *China Timas* (Shanghai), *The Arts Monthly* (Shanghai), The Literary and Arts Supplement of the *Ming Sheng Pao* (Nanking); author of the following books: "Cinquante poemes chinois," "Li T'ai-po, son epoque," "sa vie et son oeuvre," "Etude sur Tou Fou," "Choix de poemes de Li Po." "Choix de poemes de Tou Fou," "poemes et ts'eu choisis de Wang Ching-wei," "Collection de la Politque de Pe'kin," "Les chants de Tseu-ye et Autres poemes d'amour," "Collection de la Politique de Pe'kin," "Anthologie de la Literature chinoise," "Collection Pallas. Delagrave." in French and several novels and books of poems in Chinese; address: 234 Route Dupleix, Shanghai.

Dr. Sung-nien Hsu (Hsu Chung-nien)

徐 仲 年

徐仲年，江蘇無錫人，生於一九〇四年，同濟大學，法國里昂中法大學，里昂大學，巴黎萬國函授學校，巴黎大學，巴黎萬國函授學校商實業總經理科卒業，里昂大學文學博士，一九二〇年去國，一九三〇年歸國，任國立勞動大學出版課主任，圖書館主任，現任國立中央大學專任教授。其妻書珊，法人，法國博度美專畢業，博度大學及里昂大學藝術史科專修生，徐君法文著作頗富，其中文著作有陳迹，曼儂序；法國文學ＡＢＣ，坐談集，哥德論，兼任獅羅週刊發起人，南京民生報星期文藝主編，藝文茶話及藝風編輯。

Wang Ching-wei Says Peace Would Mean Ignominious Surrender

Wang Ching-wei, President of the Executive Yuan, issued another lengthy statement on Sino-Japanese policy at Nanking April 28. President Wang pointed out that China does not now possess the means of waging a formal and large-scale war against Japan. A distinction, he says, must be drawn between declaration of war and resistance. "While before declaring war, we must weigh and measure our strength, we need not and, in fact, ought not to do so in the case of resistance," he emphasized.

Reverting to the significance of resistance, President Wang admitted that national territories may be lost in spite of resistance,—just as they have been lost through non-resistance. He contends however that it would be infinitely better to lose after having done one's utmost to resist, than to yield without a struggle. Turning to the question as to why it is impossible to conclude peace, President Wang declared that peace at the present juncture would simply be a euphemism for ignominious surrender.

Who's Who in China

(Supplement to the Standard Edition)

There will be published shortly a supplement to the standard book, "Who's Who in China," which will contain some 200 biographical sketches of Chinese men and women who have come into prominence since the Fourth Edition (1931) was issued. It also will contain revisions of some of the sketches which appeared in the Fourth Edition.

For example, the Supplement will contain the pictures and sketches of several leaders who have come into prominence as a result of the Sino-Japanese conflict, such as Generals Tsai Ting-kai, Chiang Kwang-nai and Oung Chao-wan of the 19th Route Army, Chang Chih-chung of the 5th Army; Ma Chan-shan, Su Ping-wen and Li Tu of the Manchurian campaign; Sung Chih-yuan of Chahar, Han Fu-chu of Shantung, Yu Hsueh-chung of Hopei, Chu Ching-lan of the Volunteers, etc.. etc., etc.

For those who possess a copy of the last, or Fourth Edition, a copy of the Supplement, is indispensable.

READY FOR DISTRIBUTION ABOUT JUNE 1.

No office, home, school or public library is complete without **Who's Who in China,** containing the pictures and biographical sketches of most of China's leaders in the fields of politics, business, education and the other professions. In addition to a record of their careers, it also contains their latest addresses, matters of vital importance to those who would keep up with events in China and the Far East.

The prices, including postage, for the Supplement as well as the standard edition are as follows:

	(In China)	(Abroad)
Supplement	$ 2.50	G.$1.00
Standard Fourth Edition (1931)	10.00	4.00
Both books	11.50	4.50

Send orders with check or postal order to the undersigned.

The China Weekly Review

38, Avenue Edward VII

Shanghai.

Men and Events

NOTE TO THE READER.—Owing to lack of space, the continuation of S. Y. Livingston Hu's article on "Another World Conflict in the Offing" is held over until next week.

W. P. Hunt of L. Everett, Inc., departed for the United States on a business trip last week.

The annual meeting and dinner of Community Church of Shanghai is scheduled for Wednesday evening, May 17.

Huis Cerro, President of Peru, was assassinated at Lima, April 30. General Oscar Benavides succeeds him.

Two airplanes recently arrived at the Sun Yat-sen state grain farm in the Soviet Far East to carry out sowing.

Work on the development of the harbor at Haichow will begin on May 15, according to a recent telegram from that city.

A Japanese shipment of half a million bottles of beer which arrived in Honolulu last week was sold out almost immediately.

H. B. Miller of the China Electric Company has returned to Shanghai from a business trip to Hongkong and Canton.

S. Y. Livingston Hu of the Ministry of Railways at Nanking, is now connected with the Peiping-Hankow Railway at Hankow.

Out of 489,000 bales of cotton exported from the United States in March last 109,000 bales went to Japan and 32,000 bales to China.

Mahatma Gandhi announced that he will start another fast May 5 as a protest against the discrimination against the lower classes in India.

The Nanking Foreign Office has lodged a protest with the Japanese authorities against the erection of a wireless station by Japanese marines at Hankow.

One hundred and seventy-eight deported Chinese nationals from Mexico arrived here from the United States on the Dollar liner *President Lincoln* April 28.

Mrs. Sun Yat-sen, the first wife of Dr. Sun and the mother of Sun Fo, arrived in Shanghai from Macao last week. She is staying with her son at his home in Columbia Road.

Lieut-Col. Ott of the Reichswehr at Berlin has been ordered to Japan for a six months' stay during which time he will make special studies of that country and Manchukuo.

Yosuke Matsuoka, who fought Japan's case at the meetings of the Assembly of the League of Nations at Geneva, returned to Tokyo April 27, from the United States.

Major James H. Doolittle, American flier whose demonstrations in Shanghai recently delighted thousands, departed for Hongkong April 29 by the s.s. *President Lincoln*.

H. V. Cooke, U. S. Vice Consul at Tsingtao, succeeded D. W. Maher, commercial consul at the Shanghai Consulate General during the week. The latter has been transferred to Hongkong.

Dr and Mrs. Read N. Calvert of the Shanghai Sanitarium, have departed for the United States and Europe on leave. Dr. Calvert plans to take post graduate word while in Europe.

H. D. Rodger, Shanghai attorney and counsellor-at-law, has announced that Myron Wiener, formerly of San Francisco, has become associated with him in the practice of law in Shanghai.

Merle LaVoy, representative of Pathe News Reel, arrived in Shanghai last week and plans to spend considerable time here making news pictures. Mr. LaVoy was in China for a considerable period in 1927-1928 and 1929.

The following account of a romance of the U. S. Navy appeared in the Los Angeles *Herald and Examiner*, "The bride changed her mind Saturday night and instead of marrying Ensign Florenz Forbes, she married Ensign Hale."

Recent bombing outrages on the Yakima Indian reservation in the state of Washington have been directed against the homes of Japanese ranchers, according to allegations made by Mr. Uchiyama, Japanese Consul at Seattle.

Dr. H. H. Kung, managing director of the Central Bank of China and former Minister of Industries, and Mrs. Kung were hosts at a lawn party at their residence in the French Concession last week. About one hundred guests were present.

Two American bluejackets were detained near Chinwangtao April 17, for alleged photographing of Japanese troop movements.

Roy Allgood, director of the American School at Kuling, who has been in Shanghai for several days returned to Kuling on Wednesday of this week.

The Ministry of Communications has promulgated a set of regulations providing for the establishment, by the various Navigation Affairs Bureaus, of Arbitration Committees for the settlement of disputes arising out of shipping collisions.

The inauguration took place at Shanghai April 26 of the Chen Pao Family Circle Service Department. Addresses were made by Dr. Tsai Yuan-pei, President of the Academia Sinica, and Dr. Y. S. Tsao, former President of Tsinghua University.

Henry H. Wu, chief secretary to V. C. Chang Chinese Minister to Finland, left for the United States end of last week as the first lap of a world tour that will probably take two years. He is a member of the party, visiting the Chicago World's Fair.

Mrs. Pearl Buck, author of "The Good Earth," resigned from the Presbyterian Mission board during the week. Her resignation was accepted. She is quoted as having stated that she would return to China, but not to engage in missionary work.

Wilbur Burton, who has been news editor of *The China Press* for several months departed this week for Canton where he plans to spend several weeks. Before coming to China Mr. Burton was connected with the Atlanta office of the *Associated Press*.

Mr. and Mrs. Robert Pickens returned to Shanghai this week from a visit of a month in Peiping and after a few days here plan to proceed to Japan on their way back to the United States. Mr. Pickens was previously White House correspondent for the *Associated Press*.

Round trip trickets to America are being offered by the Dollar Line and American Mail Line at extremely low rates, available between June 1 and Sept. 30. Seattle: First-class, U.S. $397; tourist, U.S. $222. San Francisco: First-class, U.S. $415; tourist, U.S. $223.

Lieut. James M. McHugh arrived in Shanghai last week to join the U. S. Marine Corps here. He was accompanied by Mrs. McHugh, who is a daughter of Dr. Jacob Gould Schurmann, former American Minister in Peiping and later Ambassador in Berlin.

Dr. Lois Green, graduate of Rush Medical College and lecturer at the University of Chicago arrived in Shanghai this week enroute to Yale-in-China College at Changsha. Dr. Green will have charge of the medical department devoted to diseases of the throat, nose and ear.

Lieut. Wm. L. Bales of the U. S. Marine Corps has arrived in Shanghai from the United States and shortly will proceed to Peiping where he will join the Language School. Lieut. Bales was stationed in Peiping in 1928, but since that time has been in Nicaragua.

It is reported that Soviet Russia recently bought 17 German ships, 100,000 gross tons in all, as part of a plan to expand its shipping lines in the Far East. Four or five of the vessels are already moored in the port of Vladivostok. The others are also being sent to the Far East.

A largely attended mass meeting of patriotic bodies was held at Hibiya park in Tokyo April 29 noon to celebrate Japan's secession from the League of Nations. The meeting was held under the auspices of the Ministry of Education and the municipality of Tokyo. It was presided over by Mitsuru Toyama.

A recent telegram from Washington announced that Admiral Yancey Williams will become commandant of naval station at Mare Island, Cal., and the command of the Yangtze Patrol in China will be assigned to Captain John Wainwright, who, until recently, has been acting as the navy representative to the Army War College.

Jack Howard, son of Roy Howard, president of the *United Press Association*, is now visiting in Peiping. Jack Howard came to the Far East about a year ago and after working on the *Japan Advertiser* for a time came to Shanghai where he was employed on the *Evening Post*. He is planning to return home shortly, traveling by way of India and Europe.

L. K. Kentwell, who styles himself the expectant Commissioner for the Retrocession of Foreign Concessions in China, recently sent a message to Ramsay MacDonald, Prime Minister of Great Baitain, urging that Great Britain should take the lead in giving back to China all foreign concessions and exterritorial rights. Mr. Kentwell formerly was a practicing attorney at Shanghai, but went to Canton several years ago where he has devoted himself to journalistic work. He was previously a British subject, but recently became a Chinese citizen.

The annual quadrangular track meet was held in Nanking April 29. The National Central University won the meet by a wide margin, the students in the physical education department scoring heavily in most events; the Military Academy was second; and the University of Nanking third. The Nanking Middle School was invited to compete and won fourth place. The University of Nanking Middle School was fifth.

M. Bogomolov Presents Credentials at Nanking

M. Bogomoloff, Soviet Ambassador to China, after paying an unofficial visit to Nanking last week, among other things viewing the site where the new Russian Embassy is being built, proceeded to Nanking May 2 and presented his credentials. He arrived at the National Government Office at Nanking just before noon and presented his credentials a few minutes later. Special State carriages were used in M. Bogomolov's journey to the National Government office. Dr. Lo Wen-kan assisted Lin Sen, chairman of the National Government, at the ceremony. M. Bogomoloff wore full dress. Directly afterwards, Mr. Lin gave a banquet in honor of the new Ambassador at the National Government Office.

M. Bogomolov said the Government of the Soviet Union had always remained true to the policy of friendship based on complete equality and thorough respect for the rights and interests of the Chinese people which it proclaimed at the very beginning of its existence and which it has invariably pursued and is pursuing now.

In replying, President Lin said he was very much gratified to receive the assurances of the friendly sentiment entertained by the Soviet Government and peoples of the Soviet Union towards China and wished to assure M. Bogomolov that the Chinese people cherish the same cordial feelings towards the peoples of the Union.

Official Paper at Nanking Welcomes Ambassador Bogomolov

The official *Central Daily News*, in a leading article Nanking April 27, welcomed the arrival of Dimitri Bogomolov, the newly appointed Soviet Ambassador, to China to Nanking. The journal declared that the resumption of diplomatic relations should be made the starting point for further efforts to promote economic cooperation and lasting peace in the Orient. It added that while the extent of future cooperation remains to be seen, both countries are already in possession of the necessary spirit and mutual understanding.

Sino-Soviet Trade Corporation to Be Formed

Following repeated discussions between the representatives of the Ministries of Industry, Foreign Affairs and Finance, a decision has been reached that Sino-Soviet trade shall be placed under the unified control of a special organization, which is to be under the supervision of the Government. The funds required to carry on business will be found by different Chinese banks, with the assistance of the State bank. The organization to be formed will be known as the Sino-Soviet Trade Corporation.

Soviet Gasoline Distributors Want More Pumps

The Shanghai Municipal Council has refused the application of the Kwang Wah Oil Co., distributors of Soviet petroleum products, for the installation of additional gasoline pumps in the Central District of Shanghai, making a general ruling that no futher applications for permits to instal pumps within a radius of one mile from the corner of Nanking Road and Honan Road nor on Bubbling Well Road, Avenue Edward VII, Manila Road or Avenue Foch will be considered. Attorneys for Kwang Wah have entered a protest. Soviet gasoline is at present being sold in Shanghai at 95 cents per gallon.

Herr Schmidt Killed in Airplane Crash in Germany

An airplane belonging to the Sino-German Eurasia Transport Company crashed outside Traunstein, in Bavaria during a trial flight April 29. Herr Schmidt, German director of the Eurasia Aviation Corporation, and three others, including Miss Lister, his secretary, were killed in the crash.

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64-437

New Books of Interest in the Far East

The Coming Storm in the Far East

Storm Over Asia, by Dr. Paul Hutchinson. Published by Henry Holt & Co., New York City, U. S. A. Gold $3.50

This book is a worthy successor to "China's Real Revolution," "What and Why in China," "World Revolution," and books of other vital subjects from the same versatile pen of Dr. Paul Hutchinson, the well-known journalist, traveller and lecturer.

The book is eminently satisfactory as regards both its comprehensiveness and clarity. The data are brought down to the present. It contains much exceedingly valuable information of the events which have happened and the developments which have taken place in the Far East during recent years and months. It gives a good bird's eye view of the Far Eastern problems confronting world peace. Were it widely read and its warnings taken heed of by the Powers concerned, it would do much to disperse the cloud of trouble which is hanging all over Asia and threatening the peace of the world.

The title of this book is well chosen. It is very timely. The storm over Asia is seen in the unsettling influence of Soviet Russia, the rising power of Japan, the quickening of racial pride of the Asiatics, and the rising tide of struggle for emancipation from Western Capitalistic Imperialism, etc. "The struggle to attain new conditions," says the author, "is just opening. And the feeling of the white man that, because of past commitments, he must oppose many of the aspirations to which this struggle gives birth is a guarantee of coming trouble."

The purpose of the book is to give its readers in some detail the dimensions of this storm as it is now forming in Japan, China, India, and Russia in order that they may know what to expect. Some of the pictures drawn by the author may seem pessimsitic, but the convictions reveal the mind and heart of a man of sympathy, knowledge and foresight.

Dr. Hutchinson's book is valuable not only to the amateur in modern movements in Asia but also to the more mature students. It is a masterly study and should be translated into every language. R. Y. Lo.

American Humanistic Criticism

"A Brief History of the American Humanistic Criticism." By Chon-ying Chang. The Cathay Publishers, Ltd. Shanghai. Price $1.60 (Mex.)

Here is a little book so poorly proof-read that it greatly discounts whatever value there might be in the contents. Typographical errors glare at one from almost every page,—"publicatoins," "litereture," "descendent" being taken at random from Page iv of the preface. Not only that, but the author should have sought the aid of some American or British friend for the revision of his English before ever presenting his manuscript for publication. It would seem that his main chapters may have had some such revision or may perhaps have been more carefully prepared for previous publication as magazine articles. But these chapters are over-balanced by an inexcusably long Preface and Introduction where the English is far from idiomatic and at times even the meaning is completely obscured by the form in which it is expressed. For instance, the meaning of the following is clear, though the English is poor: "The struggle for existence has been leaving to all needy but worthy scholars almost no reserved money to pay for a new book whatsoever." But the reader excels the reviewer if he can grasp the meaning of *this* taken from the same Page iii of the Preface: "The smartness of those who enjoy a wide popularity in the world of publications is conceived on the belief that their writings are not intended to treat of the matter as ought to be treated of within all possible circumstances, but are merely to appeal to the readers as a substitutional satisfaction of their firing desires." It is inexcusable to write in a foreign language until the medium of expression can be handled better than that. Far better a work in one's own language to be translated by a collaborator.

The subjects which the author hoped to focus the attention of his readers upon include, "The Dawn of American Criticism," with special reference to Benjamin Franklin; "Artist As Judge," dealing with Edgar Allen Poe; "Philosopher As Judge," referring to Emerson; "Poet As Judge" giving Lowell predominance over Poe and Emerson; "Revolutionist As Judge,"—Whitman being the rebel; and finally, "Contemporary Criticism," and what he calls "The Method of Humanistic Criticism." There are also appendices devoted to essays on "Humanism and Chinese Literature," "Humanism and the Suicide Epidemic" and "The Humanistic Philosophy" which might just as well have been omitted. G.T.F.

Entrenched Interests Oppose Tariff Reductions

Maxwell S. Stewart, discussing Tariff Issues Confronting the New Administration in *Foreign Policy Reports* (March 29) says the moment would seem to be particularly auspicious for decisive action in the field of tariff reduction, in connection with which Mr. Stewart says that in addition to the dead weight of tradition, conservatism and ignorance, there are entrenched private interests which are bound to resist any fundamental change.

READERS of *The China Weekly Review* who may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*....If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, plus postage, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai.

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汪宸記報社

電話四一八一二

CUSTOMS NOTIFICATION NO. 1295

The public is hereby notified that in accordance with Government instructions the Yangtze Regulations of 1898 have been revised and that as from the 15th May, 1933 the following new regulations to be known as "The Provisional Yangtze Regulations of 1933" will be enforced.

H. O. Tong,
Superintendent of Customs.
A. C. E. Braud;
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 2nd May, 1933.

Provisional Yangtze Regulations of 1933

Art. 1. *Previous Regulations abrogated.*

The Yangtze Regulations hitherto in force are hereby abrogated.

Art. 2. *Classes of Vessels.*

Merchant vessels trading on the Yangtze River are divided into the following classes:—

A. STEAMERS. (*N.B.* The term "steamers" includes all power vessels and their tows).
   (1) Plying under the Inland Waters Steam Navigation Regulations;
   (2) River Steamers running regularly between any of the river ports or between Shanghai and River Ports;
   (3) Sea-going steamers trading for the voyage up river beyond Woosung.

B. JUNKS AND OTHER SAILING VESSELS. Both classes of vessels are subject to the Customs Law and Regulations at the various river ports.

Art. 3. *Customs Permission required to pass Woosung.*

No merchant vessel of any nationality, with the exception of Chinese sea-going junks, may proceed up the Yangtze River beyond Woosung or down the Yangtze River past Woosung without first obtaining the permission of the Customs in the manner prescribed in the following regulations; infringement of this rule will render the vessel and her cargo liable to confiscation.

Art. 4. *Open Ports, Ports of Call and Passenger Stations.*

Open Ports.

Merchant vessels are for the present authorised to trade on the Yangtze River at the following Open Ports:—

Chinkiang	(鎮 江)	
Nanking	(南 京)	(Pukow) (浦 口)
Wuhu	(蕪 湖)	
Kiukiang	(九 江)	
Hankow	(漢 口)	
Shasi	(沙 市)	
Ichang	(宜 昌)	
Wanhsien	(萬 縣)	and
Chungking	(重 慶),	and at
Yochow	(岳 州)	and
Changsha	(長 沙)	on the Siang River

Ports of Call.

Merchant vessels are for the present authorised to land and ship goods in accordance with special regulations at the following Ports of Call:—

Nantunghsien	(南通縣)	in Kiangsu;
Tatung	(大 通)	and
Anking	(安 慶)	in Anhwei;
Hukow	(湖 口)	in Kiangsi;
Wusueh	(武 穴)	and
Lukikow	(陸溪口)	in Hupeh.

Only Chinese vessels may land and ship goods in accordance with special regulations at the following additional Ports of Call:—

Liu-chia-tu	(劉家渡)	in Anhwei;
Patung	(巴 東)	
Wushan	(巫 山)	
Kweifu	(夔 府)	and
Yunyang	(雲 陽)	between Ichang and Wanhsien;
Chungchow	(忠 州)	
Fengtu	(酆 都)	
Fowchow	(涪 州)	and
Ch'angchow	(長 壽)	between Wanhsien and Chungking.

Except for Chinese junks, shipment or discharge of cargo at any other points on the river is prohibited. Any violation of this prohibition will be dealt with in accordance with the Customs Law and Regulations applicable to clandestine trade.

Passenger Stations.

Passengers and their baggage may be landed and shipped at any of the following passenger stations:—

Luchingchiang	(蘆港涇)	in the Tungchow district;
Kiangyin	(江 陰)	
Tienhsingchiao	(天星橋)	in the Taihsing district;
Kowan	(口 岸)	and
Iching	(儀 徵)	in Kiangsu;
Tichiang	(荻 港)	and
Hwayangchen	(華陽鎮)	in Anhwei;
Chichow	(蘄 州)	
Hwangtzekang	(黃子崗)	
Hwangchow	(黃 州)	
Hsinti	(新 堤)	and
Chinghokow	(荊河口)	(also known as Chinghonao) in Hupeh.

Passengers' baggage must not contain articles subject to duty, and the presence of dutiable articles will render the whole liable to confiscation.

The Chinese Government reserve the right, when the interests of the revenue so demand, to close any of the above named Open Ports, Ports of Call, and Passenger Stations, or to open new Ports and Stations when required.

A.—STEAMERS.

Art. 5. *Inland Waters Steam Navigation Steamers.*

Inland waters steamers entering or leaving the river are to comply with the I.W.S.N. Regulations and must exhibit their Voyage Books if Chinese, and I.W.S.N. Certificates and Way Books if foreign, to the Customs at Shanghai or Woosung for endorsement.

Art. 6. *River Steamers.*

(a) Any Chinese steamer intending to trade regularly on the river must present her Voyage Book to the Custom House at Shanghai, Hankow, or Ichang, in which the Customs will note her registration as River Steamer. This registration must be renewed every year at Shanghai, Hankow or Ichang.

(b) Any foreign steamer intending to trade regularly on the river must deposit her register at the Consulate at Shanghai (or, if consularly unrepresented, at the Custom House at Shanghai) when the Customs, on receipt of the consular application or the deposit of the register, will issue a certificate on which shall be stated the vessel's name, flag, registered tonnage and armament, to be called a "River Pass." This "Pass" shall be valid for the current year. The River Pass must be renewed every year at Shanghai, or at Hankow or Ichang in case of river steamers trading above those places and not returning to Shanghai.

River steamers will report and clear, load and discharge and pay dues and duties in accordance with Customs Regulations at the port concerned. Tonnage Dues in the case of a Chinese vessel are to be paid at the Port which registers her as a River Steamer, while in the case of foreign vessels Tonnage Dues are to be paid at the Ports which issue or renew their River Passes.

Art. 7. *Sea-going Steamers.*

(a) Chinese sea-going steamers on a voyage up river further than Woosung shall exhibit their national papers and Voyage Books at Shanghai or Woosung, in order that the Customs may fill in the necessary Clearance Permit. The vessel may then proceed up river and at whatever Open Port she trades must report and clear, load and unload cargo and pay dues and duties in the same manner as in any other Open Port. On return to Woosung or Shanghai, the Voyage Book must again be exhibited to the Customs, who, having ascertained that all duties and dues have been paid and all other conditions satisfied, will then permit the vessel to proceed to sea.

(b) Foreign sea-going steamers on a voyage up river further than Woosung may deposit their re-

gisters with the Woosung Customs if not proceeding to Shanghai or with their Consulate at Shanghai or, if consularly unrepresented, with the Customs at Shanghai or Woosung, when the Customs will issue a certificate to the vessel to be called "Special River Pass" on which shall be entered the vessel's name, flag, registered tonnage, description of cargo and armament and name of Port or Ports to which she is proceeding. The vessel may then proceed up river and at whatever Open Port she trades must report and clear, load and unload cargo and pay dues and duties in the same manner as at any other Open Port. On return to Woosung or Shanghai the "Special River Pass" is to be surrendered to the Customs, who, having ascertained that all dues and duties have been paid and all other conditions satisfied, will then complete the formalities which will enable the vessel to procure her register and proceed to sea.

(c) Chinese and foreign sea-going vessels, not holding a Tonnage Dues Certificate, and proceeding up the Yangtze, shall pay Tonnage Dues at Woosung or Shanghai.
Should the Tonnage Dues Certificate for such a vessel expire while at a Yangtze Port, such Certificate shall be renewed at that Port.

Art. 8. *Steamer Cargo.*

All steamers trading on the river will pay duties in the same manner as vessels at any other Open Port, *i.e.*, import duties at the port of discharge before release and export and interport duties at the port of departure before shipment unless otherwise provided for by the Government. Similarly, they will ship, tranship or discharge cargo after report, examination and issue of permit, in the same way as vessels at other Open Ports.

B.—*JUNKS AND OTHER SAILING VESSELS*

Art. 9. *Junks and other sailing vessels.*

(a) All Chinese sea-going junks are required to present their national papers, pass books, etc., to the Customs at Kiangyin (江陰) for verification before proceeding either up or down the Yangtze.

(b) All Chinese junks engaged in foreign trade when proceeding to or from abroad are required to await examination of their cargoes at Kiangyin and to pay there all dues and duties leviable.

(c) Chinese junks chartered by foreigners are available for conveying only foreign-owned cargo from Open Port to Open Port; they must take out special junk papers at the Customs, to be obtained in exchange for Bonds executed at and deposited with the Customs, the conditions of the Bond being that the cargoes are *bona fide* foreign property and will be landed and pay duty at an Open Port, and the penalty that, if the cargoes fail to be so landed and pay duty, a fine of five times the duty will be imposed and no chartered junk will thereafter be cleared for the foreigners in question. Such junks must report, work cargo, and pay duties in the same way as lorchas, etc. Native goods conveyed by chartered junks are liable to Interport Duty.

(d) Foreign sailing vessels, including lorchas, are required to take out a Special River Pass either through the Consulate at Shanghai or the Customs at Shanghai or Woosung, and generally to conform to the same rules as foreign steamers.

Art. 10. *Clearance Records.*

All steamers trading on the Yangtze River, as well as foreign sailing vessels and chartered junks, must apply to the Customs at port of departure for Clearance Record, which, on a vessel's arrival at the port of destination, must be handed in to the Customs before permission to discharge can be given. If a vessel fails to land at port of discharge all goods entered on the Clearance Record, she will be liable to the penalties prescribed for clandestine trade.

Art 11. *Miscellaneous.*

Any merchant vessel falling in with a Customs Preventive Vessel on the Yangtze River is to produce her papers for inspection if required. Vessels unprovided with proper papers will be dealt with under the articles of the Customs Law penalising clandestine trade.

The Customs may seal the hatches of any vessel or its tow trading on the Yangtze and may place Customs officers on board to accompany her on the trip whether up stream or down. Merchant vessels are not required to enter and clear at the intermediate River Ports passed and not traded at, but must produce their River Pass, Voyage Book, I.W.S.N. Certificate, Pass Book, or other ship's papers as the case may be, for the inspection of the Customs at such ports, if required.

Art. 12. The above regulations are provisional and subject to revision.

The Most Complete Collection of Documents Bearing on the Sino-Japanese Situation

ONE YEAR OF THE

JAPAN-CHINA

UNDECLARED WAR

By EDWARD BING-SHUEY LEE

Gives a Complete account of the train of events before and after September 18, 1931;
Discusses the causes of the Japanese invasion;
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Revised Text of Mackay Radio Traffic Agreement

(From the Review's Correspondent at Nanking)

This agreement constitutes a revision of the original agreement entered into June 27, 1933. The more important changes are: (1) the Manila-China circuit provided for in the original agreement has been deleted, leaving only the United States-China circuit; (2) the division of tolls, two-thirds to the sending station and one-third to the receiving station, as provided in the original agreement, has been amended so that each station will now receive one-half of the tolls; (3) the following, paragraph eleven of the original agrement, has been deleted, "The Ministry and the Company will cooperate with each other in taking active steps to promote and solicit radio traffic and the Ministry agrees to print and distribute routing blanks to be used by the sender to designate the route through which the messages should be transmitted. The Ministry agrees to recognize and follow such instructions." The supplemental agreement effecting the foregoing changes in the original agreement, was signed in Nanking on April 7 1933.

AGREEMENT made this 7th day of April, 1933, between the Ministry of Communications of the Republic of China, hereinafter referred to as the Ministry, party of the first part, and the Mackay Radio and Telegraph Company (California), a corporation organized and existing under the laws of the State of California in the United States of America and having an office for the transaction of business at 67 Broad Street in the City of New York in the United States of America, hereinafter referred to as the Company, party of the second part.

Whereas, the Ministry owns and is operating radio stations in the Republic of China, suitable for commercial communication with radio stations located on the Pacific Coast of the United States of America, and the Company owns and is operating certain radio stations on the Pacific Coast of the United States suitable for commercial communication with said radio stations of the Ministry in the Republic of China.

Whereas, both parties desire to utilize their respective stations for the purpose of furnishing manual and high speed automatic and duplex commercial radio communication circuits between the above points.

Now, therefore it is covenanted and agreed as follows:—

1. That the Ministry and the Company shall maintain their respective radio stations in a proper and efficient manner with up-to-date gear and appliances for the simultaneous transmission and reception of radio communications between China and the United States and shall provide and maintain a sufficient and well trained staff for this purpose, and each party hereto shall provide means for the transmission and reception of radio communications at its station or stations, employed in such service during such hours of the day and night as shall be considered mutually desirable for the expeditious handling of the available traffic. Furthermore the radio station operated by the Company in the P. I. shall be used as a relay station for messages destined for transmission over the direct circuit maintained by the parties hereto between China and United States wherever there be any interruption of such direct circuit between China and United States and such use of the aforesaid radio station in the P.I. shall not affect the division of tolls as herein provided.

2. All messages routed by the sender marked "via Mackay" shall be transmitted by the Ministry's stations to the Company's stations and the Company's stations shall receive all said messages; but the Company will maintain its central control offices in San Francisco in situations at least as convenient as similar offices of competing companies and shall reserve the operation of the said stations exclusively for commercial purposes.

3. Unless routed otherwise by the sender, the Company's stations shall transmit to the Ministry's stations every message within the Company's control destined to points in China and intended for transit through China, and the Ministry's stations shall receive all said messages; but the Ministry will maintain their central control office in Shanghai in a situation at least as convenient as similar offices of competing companies and shall reserve the operation of the said station exclusively for commercial purposes.

4. Except as herein provided for, the radio communication service shall be conducted and accounted and settled for in accordance with the Regulations of the International Telegraph Convention, and subsequent revisions thereto. The total rate per word for messages passing over the circuit shall be made up as follows:

(a) Outpayments beyond the radio terminal at Shanghai shall accrue to the Ministry exclusively.

(b) The radio tolls shall be divided equally between the transmitting and the receiving stations.

(c) Outpayments beyond the radio terminal at San Francisco shall accrue to the Company exclusively.

The settlement of accounts between the contracting parties shall be made quarterly, and the basis of settlement shall be the gold franc, balances to be remitted through a medium mutually agreed upon. Subject to settlement as provided for, the Ministry shall deposit in trust each day all moneys due to the Company received by it for traffic originating at Shanghai and transmitted over the said circuits. Likewise the Company shall deposit in trust each day all moneys due to the Ministry received by it for traffic originating at San Francisco and transmitted over the said circuits.

5. The rates per word for communications passing over the said circuits shall be quoted in gold francs, and shall be mutually agreed to, but they shall not be higher than the rates established over competing communication services.

Reduced rates for deferred, press, and other special services may be fixed by mutual agreement. Communications of the Governments of China and of the United States shall be handled at one-half of the radio rate between the radio termini, to which shall be added the full "other line" tolls beyond these points. Service messages between the parties hereto shall be exchanged free of all charge. In case service messages cannot be transmitted in the direct way each party shall bear their own expenses.

6. In the event of it being found necessary in the interest of the public service to divert any communication to any other telegraphic system, owing to congestion or undue delay experienced on the radio service, then the difference in tolls, if any, between the radio rates and the rate charged by other such telegraphic systems shall be a charge on the revenue divisible between the parties hereto in the same prorata as the division of tolls, before any division takes place. Either party may at any time, on reasonable notice cancel this paragraph of set a monthly limit to the cost thereof to each side. In the event of a breakdown or destruction of one or any of the radio sending or receiving stations, or of the lines connecting such stations with each other, or with the central office, every effort shall be made to put them into normal working order or to reconstruct them with the least possible delay.

7 The Company agrees to make its international radio communication system available for the further transmission of communications originating in the Territory of a Ministry or in transit through such territory, and reciprocally the Ministry agrees to offer to the Company such communication facilities as it may possess for the further transmission of communications originating in countries of the American Continents, or in such other countries as the Company may have established communication.

8. Generally each party hereto shall cooperate with the other to secure the successful and remunerative working of the jointly operated circuit or circuits.

9. If because of war or public danger the Ministry should suspend or materially curtail the operation of the station or stations under its control, normally used for commerical communication, or the United States Government should take control of the station or stations of the Company then for the duration of such control, suspension or curtailment, this agreement shall be non-operating, but it shall enter into full force again from the time that such control, suspension or curtailment ends.

10. The parties hereto shall aspire in a friendly manner to adjust and dispose of any dispute or disagreement which may arise between them regarding the performance of this contract, and should any such dispute or disagreement arise in connection with the contract which cannot be adjusted and settled by agreement between the parties, the same shall be determined by arbitration. For this purpose either party may give notice to the other served in writing, designating an arbitrator and calling upon the other party to designate a second arbitrator, whereupon the party receiving said notice shall within ten (10) days thereafter by notice in writing served upon the first party, designate a second rabitrator, and the two arbitrators thus chosen shall elect a third. In the event of failure to agree upon a third arbitrator within twenty (20) days following the receipt by the first party of such notice designating the appointment of the second arbitrator, the then President or ranking officer of the International Telegraph Bureau of Berne, Switzerland, shall be jointly requested by the two arbitrators so chosen to select a third arbitrator. The parties hereto further agree that they will abide by any decision regarding the matters in dispute concurred in by the said arbitrators or by at least a majority thereof. The places and times for hearing under such arbitration shall be fixed by the arbitrators and all cost incident to the arbitration shall be borne by the losing party or apportioned between both parties as the arbitrators may direct.

11. Either contracting party hereto is free to make any other traffic agreement with any other nation or nations for radio communication, provided that paragraphs two (2) and three (3) of this agreement are observed.

12. This agreement shall become effective and the term hereof shall begin and run from the date of the signing of this agreement, and shall continue in force for eight (8) years from such date; and thereafter it shall be automatically renewed for additional terms of five (5) years each unless terminated at the end of said original or any five (5) years additional term, by written notice to be served by either party upon the other at least one year prior thereto.

13. This agreement shall bind and benefit the respective parties hereto, their respective successors, legal representatives and assigns, and, as to the obligations or responsibility hereunder of the Ministry and the Company respectively, shall be construed, interpreted, and enforced according to the laws of China and of the State of California, United States of America.

14. Two counterparts of this agreement have been drawn up in both Chinese and English, each party holding a Chinese counterpart and an English counterpart or duplicate, the Chinese text and English text having been duly compared and found correct. In the event of any dispute arising as between the Chinese and English text of such counterpart the Chinese text shall rule.

ONLY A FEW COPIES LEFT

The *Review* still has on hand a few copies of the following books dealing with Pacific and Far Eastern Affairs:

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THE CHINA WEEKLY REVIEW

38 Avenue Edward VII
Shanghai

The National City Bank of New York, Rates of Exchange

Shanghai, May 3, 1933.

Demand selling rate on America:	U.S. $100=Sh. $404.04
Demand buying rate on America:	U.S. $100=Sh. $398.01
Demand selling rate on London:	£1.0.0=Sh. $15.788
Demand buying rate on London:	£1.0.0=Sh. $15.484

Japanese Imports Lose Special Privileges after May 16

Telegrams from China in Japanese papers stress that the Sino-Japanese Customs Tariff Protocol will automatically become invalid on May 16 and that the Chinese maritime customs service has been ordered by the Nanking Government to be ready for the collection of duties on Japanese goods in accordance with the new tariff. The point is stressed also that the new tariff is on the whole nearly double the old tariff.

Japanese goods imported to China will be taxed according to the new tariff rates as adopted by the national government in January, 1931, upon the expiration of the Sino-Japanese Agreement governing reciprocal tariff rates on May 15, according to local customs authorities who have received instructions from Nanking to that effect.

The new tariff rates to be imposed from May 16, in most instances, double the reciprocal rates as stipulated in the Sino-Japanese Agreement. The national government will issue no notification to the Japanese government announcing the enforcement of the new rates, as such a step, it was explained, will not be necessary.

Cotton Mills in Shanghai Reduce Production

A reduction by an average of 30 per cent has been adopted by all Japanese cotton mills in Shanghai as a result of business depression due to the Chinese boycott campaign on Japanese goods.

Tungwa heads the list of Japanese cotton mills which have cut down production at 50 per cent. Others include Kung Dah, which has cut by 40 per cent, Japan-China by 30 per cent, Niwa by 15 per cent, Yufung and Dakang each by 10 per cent, Tungshing and Fungtien each by 5 per cent.

Japanese Trade Improves

According to trade returns issued in Tokyo, April 28, imports from January to April totalled 694,934 000 yen and exports 502,990,000 yen, with an adverse balance of 191,944,000 yen as compared with 205,418,000 yen for the same period last year. At this time of the year imports usually exceed exports because raw materials are imported in large quantities, but the balance of trade has already turned favorable in the last part of April this year,

Japanese foreign-style paper imported into China for the first quarter of the year amounted to 36,353,000 pounds in contrast to 24,313,000 pounds for the same period of last year, recent figures published in Tokyo show. This shows an improvement in the export from Japan of paper for to China this year as against the depression in the trade of other commodities.

Japanese Coal Being Dumped on Shanghai

The dumping of Japanese coal on the Shanghai market is a success, according to latest reports from business circles noted in the Chinese press of Shanghai. During recent months imports of Japanese coal have increased from six thousand to twenty thousand tons a month as a result of the exceptionally low price of the coal and the non-arrival of Chinese coal from the interior. It is said that, if the present state of affairs continues to exist, Japanese coal will soon have a still bigger market here. The production of Chinese coal has considerably decreased as a result of banditry in the provinces. Coal mines in North China are peculiarly affected by the present war operations along the Great Wall.

Boycott Activities Continue

The Shanghai Chinese papers state that under the auspices of the Nanking Road Merchan's' Guild all Chinese shops on the Nanking Road are requested to sign a written certificate guaranteeing in future not to deal in Japanese goods. A number of the shops have already sent in their certificates and only a comparatively few still hesitate to sign the document.

One of Peiping's Blood and Iron societies caused $10,000 damage on the night of April 28 when, one of their members walked into a large department store on Morrison Street and tossed a bomb over the counter, which resulted in a conflagration.

The provincial and city Kuomintang at Canton, have decided that there is no cause for action against the Sincere Company, Limited, which had been accused of carrying "low-grade" goods in stock, and consequently have recommended that the fine of $100,000 imposed by the National Salvation be quashed.

Latest New York Stock Exchange Quotations

Market—Steady **Business Done 3,900,000 Shares**

May 3, 1933

1932-3 High	1932-3 Low	Div.$ per Sh.	STOCKS	Mon. May 1	Tues. May 2
9½	1⅝	—	Adams Express	7¼	7⅛
94⅛	42½	*6.00	Allied Chemical & Dye	91½	90
15⅜	4	—	Allis Chalmers	12½	12¾
81⅝	29⅝	4.00	American Can	81⅝	81¼
15	2	—	American & Foreign Power	9⅞	9¼
38½	5	—	American & Foreign Power 7% Pfd.	17⅛	18
10	1⅛	—	American & Foreign Power Warr.	7	6¾
11⅝	1½	—	American Metal Co.	11½	12
31	5⅛	—	American Smelting	30	29
137⅝	70¼	9.00	American Telephone & Telegraph	100⅜	99⅞
89¾	44	5.00	American Tobacco "B"	81⅛	81½
34½	11	1.00	American Waterworks	19⅝	21¼
19⅜	8	—	Anaconda Copper	12½	12⅞
11⅜	4¼	—	Atlas Corporation	11	11
151¾	28¾	2.00	Auburn Automobiles	45½	45½
21⅝	3¾	—	Baltimore & Ohio	13⅝	15
29⅝	7¼	—	Bethlehem Steel	25½	25
43½	18	1.60	Borden Company	31⅜	31½
14¼	3⅜	—	Borg Warner	11⅞	12
20⅝	7¼	—	Canadian Pacific Railway	13	14¼
65¾	16¾	—	Case, J. I.	57⅛	57⅝
47⅞	19	2.00	Chase National Bank	24¾	24⅝
21¼	4⅞	2.00	Chesapeake Corp.	21¼	23½
21¾	5	—	Chrysler	17¾	17⅝
21	4¼	.80	Columbia Gas & Electric	16½	16¼
5⅛	1⅜	—	Commonwealth & Southern	1⅞	1¾
68¾	31½	4.00	Consolidated Gas of N. Y.	49¾	51⅛
9⅜	3⅝	—	Continental Oil	9¼	9
72½	24¾	3.00	Corn Products	70⅛	71¾
7⅜	1½	—	Coty Inc.	3⅞	3¾
8¼	⅞	—	Curtiss Wright Company	2⅛	2⅛
18⅝	5	.75	Douglas Aircraft	15	14⅞
57	28	3.00	Drug Incorporated	43	42¼
59¾	22	2 00	Du Pont de Nemours	54	53½
87⅞	35¼	3.00	Eastman Kodak	64¼	67⅛
48	5	6%S	Electric Bond & Share	18¾	18⅜
16	2¾	—	Electric Power & Light	7½	7½
5⅞	⅞	—	Fox Film "A"	Unq.	2
26½	8½	.40	General Electric	19¼	19⅝
40½	19⅝	1.60	General Foods	32½	31⅞
24⅞	7⅝	1.00	General Motors	21¾	21⅝
28⅝	6½	1.00	General Railway Signal	24⅝	25½
20⅝	8¼	1.20	Gold Dust	19½	19⅛
29¾	5½	—	Goodyear Tire & Rubber	28¼	28⅜
18¾	3⅝	—	International Cement	16¼	Unq.
1⅞	⅛	—	International Com. Engine	⅜	⅜
34⅛	10⅝	.60	International Harvester	33⅛	33¼
14¼	3½	—	International Nickel	13⅝	13½
15¾	2⅝	—	International Telephone & Telegraph	11⅝	11½
38⅜	10	—	Johns Manville	28	27
19¼	4⅞	—	Kennecott	16¾	16½
59	30½	2.40	Lehman Corporation	59	58⅞
80⅞	34⅛	*4.00	Liggett & Myers, "B"	80⅜	81
37¾	9	1.00	Loew's: Inc.	15⅞	15⅝
19¼	9	1.20	Lorillard P. Co. (Com.)	19¼	19
22¼	3½	—	Montgomery Ward	22	22¼
64½	19¾	1.00	National City Bank (bid price)	20½	29
86⅝	8¾	—	New York Central	25⅞	27
43¼	13⅜	8%S	North American Company	23	23¾
37	16⅞	2.00	Pacific Gas & Electric	24¼	24
5¼	1½	—	Packard Motors	3½	3⅜
28⅜	6½	.50	Pennsylvania Railroad	21½	23⅜
4⅜	1	—	Pennroad Corporation	2	2⅛
8⅛	2	—	Phillips Petroleum	8½	8⅝
60	28	3.20	Public Service of N. Jersey	42	43½
13⅛	2½	—	Radio Corporation	7	6¾
7¾	1	—	Radio-Keith Orpheum	2⅛	2⅛
40¼	26⅛	3.00	Reynolds Tobacco "B"	40	39⅞
37⅝	9⅞	—	Sears Roebuck	25½	24
8¾	2½	—	Shell Union	6¾	5⅞
13⅜	2¾	—	Simmons Company	9⅝	9¾
12¼	5¼	.40	Socony-Vacuum Corp.	10⅝	9
32¾	15⅞	2.00	Southern California Edison	20½	20
34¼	5¼	—	Standard Gas & Electric	12	12½
37⅝	19⅞	1.00	Standard Oil Co., of N. Jersey	34¼	32¾
18¼	9¼	1.00	Texas Corporation	16⅜	15¼
26¾	12	1.00	Texas Gulf Sulphur	26	25¾
7¼	2⅛	—	Trans America	5⅝	5⅝
86¾	15½	1.20	Union Carbide & Carbon	33¾	33¾
94½	27⅝	6.00	Union Pacific	78⅛	82¾
34⅜	6½	—	United Aircraft & Trans.	27¾	27⅜
14	3½	.40	United Corporation	7⅞	7⅞
22	9¼	1.20	United Gas Improvement	17⅝	17⅞
10¼	1¼	—	U. S. Rubber	8½	8
52⅝	21¼	—	U. S. Steel	47½	47¾
31½	11	2.00	Universal Leaf Tobacco	31½	32½
23¾	5¼	—	Vanadium	17⅝	17½
4½	¼	—	Warner Bros. Pictures	2¾	2¾
43⅝	15⅞	—	Westinghouse E. & M.	35	35⅜
45⅝	22	2.40	Woolworth	33¾	35¼

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